

Value Creation Through Customer Interactions



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TIIVISTELMÄ

Tämä opinnäytetyö käsittelee vuorovaikutusta asiakkaan ja yrityksen välillä sekä sen luomaa kehitystä yritykselle. Projektin toimeksiantajana toimi FinnMedi, suomalainen terveydenhoito- ja teknologia-alan kehityspalveluihin erikoistunut yritys. FinnMedin toimintaan kuuluu olennaisesti palvelujen kustomointi asiakaskohtaisesti. Tämän projektin tavoitteena oli kerätä tietoa asiakaskohtaamisten ja asiakkaan resurssien vaikutuksesta tuottajayrityksen kehitykseen.

Projekti pohjautuu Luschin ja Vargon teoriaan palvelukeskeisestä logiikasta liiketoiminnassa sekä Huntin ja Morganin teoriaan resurssien hyödyntämisestä asiakasarvon lisäämisessä. Lisäksi tutkimusta tukevat useat muut tutkimukset ja artikkelit, sekä tutkijan omat ennakkotiedot aiheesta.

Tutkimusmateriaalit on kerätty hyödyntäen sekä määrällisiä että laadullisia tutkimusmenetelmiä. Osana tutkimusta FinnMedin työntekijöille järjestettiin kysely, jossa kerättiin tietoa heidän kokemuksistaan ja käsityksistään asiakaskohtaamisten vaikutuksesta yrityksen kehitykseen.

Tutkimus osoitti, että asiakkaan ja yrityksen välisellä vuorovaikutuksella on positiivinen vaikutus FinnMedin kehitykseen. Yrityksen työntekijät kokevat, että asiakkaiden välittämien uusien resurssien kerääminen ja taltiointi on kannattavaa. Tutkimustuloksista huomattiin myös puutteita sekä kehityksen kohteita yrityksen toiminnassa kuten esimerkiksi yrityksen sisäinen viestintä. Tulosten pohjalta toimeksiantaja-yritykselle esitettiin ohjeita sekä ehdotuksia käytännön toimenpiteistä yrityksen toiminnan tehostamiseksi.

Avainsanat asiakasvuorovaikutus, palvelukeskeinen logiikka, arvon yhteisrakennus, resurssien vaihto, markkinoinnin hallinta

Sivut 46 sivua + liitteitä 6 sivua

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ABSTRACT

This thesis deals with customer interactions as a tool to develop supplier's resources and other value creating attributes. This research project was commissioned by FinnMedi, a Finnish company that operates in health care and technology sector. The company provides business development and expert services in its operating field. The research project aimed to provide answers to a question: "How does customer interactions create value to a firm in service development processes within the scope of firm's resources?" –and to offer guidance for FinnMedi in accordance with the research question.

The theoretical framework of the thesis was based on Service-dominant logic by Lusch and Vargo, and Resource-Advantage theory by Hunt and Morgan to create a strong understanding and acknowledgement for the research project. The two key theories were supported by various other scholars as well as the existing knowledge of the thesis author.

The material for the thesis was collected by using both quantitative and qualitative research techniques including for example a survey for the employees working in the service sector at FinnMedi studying their experiences and perceptions on customer interactions.

Based on the analysis of the Survey various dialogs with FinnMedi and the theoretical framework it was found that all in all customer interactions do have a positive impact on the development of FinnMedi and the employees recognize customer's resources as a source of value to the firm. However, some needs of improvement were found including for example more internal communication within the organization and audition of new resources in practice. To offer guidance for these deficiencies, the commissioning company was offered with recommendations to act on in their future operations.

Keywords Customer interaction, Service-dominant logic, Value co-creation, Resource-exchange, Marketing management

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Abbreviations:

Business-to-business: B2B

Service-dominant logic: SDL

Goods-dominant logic: GDL

Resource-advantage: RA

1 INTRODUCTION

For the last decade, companies have driven towards higher customer value by involving customers in service and product development processes. Gaining a competitive advantage in the market has been highly dependent of understanding the market needs better than others in the field. Marketing professionals are no longer the only tool for providing the clientele information. Multiple examples of research have now justified the value of interaction with customers as part of a firm's development and marketing process.

In customer-interactive service process, the customer is provided with the supplier's resources to create value. As a central part of value co-creation, value creation happens through joint resource-use of both supplier and customer. What the supplier receives from the customer in this interactive process is often left unnoticed. Many studies have been made measuring solely the value created for the customer. This study focuses on the resources and other value-creating tools that a supplier creates to aid their customer value creating processes through interactive service processes.

This thesis aims to discover the influence of customer interactions in service development processes on the focal firm and how it aids their value-creation thereafter. The results of the research should offer guidance for the service and marketing management regarding interactive customer processes and service development of the commissioning company FinnMedi. The aim of the survey is to study the concept of customer-interactive service processes and whether such processes have rendered additional value creating attributes (resources, competences etc.) for the commissioning company FinnMedi.

1.1 Commissioning Company

The commissioning company of this thesis is a Finnish company providing expert services in the healthcare and business development sector. FinnMedi's headquarters are located in the heart of the medical and health care services in the city of Tampere giving it a competitive advantage in the field with easy access to healthcare professionals and co-operational business relationships. The company's main line of business is providing expert and consultant services in clinical research and business development processes. The focus of this study is primarily on the business development processes -services of the company.

FinnMedi operates both domestically and in international markets. The results from this thesis can be applied to the firm's service delivery and

development processes in both markets taking into consideration the cultural and personal attributes of each customer case.

Uniqueness of the firm's operations is that each client is provided with a customised service package to answer specifically the needs and preferences of the client, which thus gives the firm an extensive advantage in the markets. The firm is specialized in service dominant operations. Customer interaction is a natural part of the firm's service processes from the very first part of the sales negotiations to delivering the outcome of a service. The firm presents its service offering as guidelines for customers to find a teammate from FinnMedi to create solutions with a wider influence on the client. One of FinnMedi's principles for customer interactions processes is to create a learning process for the client while delivering a service. Hence, a client is provided with the tools and methods to act independently with the service concept in question in the future.

The clientele of FinnMedi consists of business clients: organizations and companies. Therefore, this thesis will provide a research focusing on B2B markets, where the commissioning company is the most active in. (FinnMedi Web-page; Lönn, Eskola & Salomaa, presentation, 26.10.2016)

1.2 Research Question

To meet the complete research area, the main issue of this thesis was to create a research question that would provide answers to the research as a whole. Therefore, the research question was formed as following:

How does the customer interaction process create value to a firm in a service development process within the scope of the firm's resources?

1.3 Objectives of the Thesis

- (i) Defining the concept of service and new service dominant logic and a link between them
- (ii) Defining the role and position of value in a service production and delivery process for the supplier and customer in business-to-business transactions
- (iii) Elaborating the process of value creation in customer interactions
- (iv) Discovering the methods how FinnMedi integrates its customers with interactive service production and delivery processes
- (v) Studying FinnMedi's perception on customer resources for value creation
- (vi) Discover the value attributes FinnMedi creates for itself in the interactive service delivery processes

- (vii) Make recommendations on how to exploit the exchange of resources in customer interactive processes in the future to maximize the creation of value to both supplier and customer.

1.4 Research Methods

This research was formed by utilising both qualitative and quantitative research methods. Exploring the options for forming the framework was the focal starting point of the research. Data collection was made by using external research techniques; more specifically online desk research technique in addition to other available qualitative data collection. The research gained a deeper meaning and paradigm for discovering solutions for the original research problem by building and linking the findings around a modern theory for marketing and management operations and paradigm. Primary data was collected through a questionnaire and in-depth dialogs with the commissioning company. One of the qualitative research methods was an email dialog, that provided in-depth data for the Survey. Comparing evaluating and finally analysing the most qualified data for the research made it justified and easy to follow up from observing the theory and background information, to conducting the empirical study that was supported by the theory.

1.4.1 Literature

The primary source for this thesis was the collection of studies and essays 'The service-dominant logic of marketing' by Robert F. Lusch and Stephen L. Vargo. The book offered multiple perceptions on the essence of services being in the core of business processes, which gave this thesis justification for the theory writing and implementation for the Survey. Lusch and Vargo's edition 2014 of the essays studies the subject with great width and depth. Multiple other sources studying the topic of customer involvement and service-centric view in marketing rely on the work of Lusch and Vargo, which gives even stronger purpose for utilizing the piece by the two authors. Other literature for this thesis has been with relatively great emphasis on i.e. 'Services Marketing' by Bruhn, M. & Georgi, D. and 'A service perspective on business relationships: The value creation, customer interaction and marketing interface in Industrial Marketing Management' by Grönroos, C. Besides the main sources for the theory part of the thesis, multiple articles and studies about business processes as well as the thesis writer's own observations were exploited for justification.

This thesis includes a practical study for finding solutions for the future operations and policies of the commissioning company FinnMedi. The field study consisted of a questionnaire for the FinnMedi employees

about their previous customer-interaction experiences and operations. The questions concern primarily the resource-exchange between the firm and customers, and particularly whether customer's resources are of value to the firm.

2 VALUE PLAYS DIFFERENT ROLES IN THE PROCESS OF CUSTOMER INTERACTION

2.1 Value for a Firm

'Value' has a different meaning to a company than from a customer's perspective. The way company perceives value is most commonly defined by the monetary value one customer brings to the company through a service usage. All actions and incidents that generate revenue to a firm above the cost level of the action are considered as value generators. Therefore, a firm should invest in those actions to create revenue. However, it should be noted, that value only exists in the process in case the revenue from one customer/service process is higher than the costs of one customer/service process. (Bruhn & Georgi, 2006, 9)

Besides creating monetary value through customer interaction process, a firm may acquire new resources or improve their existing ones through customer interactions. Value is co-created by evaluating the firm's own resources that could potentially lead to creating the service product that provides the customer some type of value. In addition to a firm's evaluation of their own resources, the interaction process plays around the resources of the customer too. The entire service and customer interaction process is about the exchange of resources. Therefore, the resources of a customer, other than money, can be transferred to a firm's possession (such as skills and knowledge) which increases the value creating capabilities of a firm. Use and development of value creating attributes should be the locus of the supplier's operational policies that ultimately augment the firm in multiple ways, one of them being the increased financial performance.

2.2 Value for a Customer

Even though a value creating service process would create value to a firm it is not clear whether customer acquires value in the process. A customer's decision to invest in services process depends on whether one is promised an exchange of value in the process.

Service value can be perceived widely differently between each customer. The outcome of the service is preferred based on customer's own individual factors: needs, preferences, values and wishes. Therefore, any specific definitions of value for a customer cannot be made.

Customer's perception of value depends on their purpose for engaging with a supplier. In a value creating process, customer evaluates the service offering of a company or their existing and presented resources that should provide the customer with the outcome of the desired service delivery process. Customer receives value when the service is produced and delivered in a way a customer feels satisfaction or is able to re-create value out of it.

Regarding the service delivery process goals of the commissioning company (p. 1) the customer should be provided with additional value through the exchange of resources. One of the objectives of the commissioning company in customer interaction processes is to create a learning process for a customer. Thereby, while producing and delivering a service, the customer should gain skills and knowledge that increases their abilities to operate further on within the concept of the service on their own in the future.

In addition to creating value through the exchange of intellectual or operative resources, customer may perceive the relationship with the supplier as of value. "An on-going relationship may, for example, offer the customer security, a feeling of control and a sense of trust, minimized purchasing risks, and in the final analysis reduced costs of being a customer", Grönroos (2004).

2.3 Value exchange process

The value exchange process starts when a firm, the service supplier, integrates a customer into the service production process of the company. According to Bruhn and Georgi (2006), integrating a customer into the firm's operations is the first form of the supplier's aspirations in creating value through the interaction processes. The processes creating directly value to both customer and supplier through firm's activities are called Primary Value Processes (Bruhn & Georgi, 2006, 16). Direct effect on both parties exists through plain value exchange. The customer compensates the supplier for receiving a service from which value will be created. The compensation to the supplier amounts to value when turned into revenue.

Services as they will be explained further on the text, are built on the exchange of resources (Akaka, Maglio, Vargo, 2008). The goal in the value exchange process is to provide the customer with the type of resources that create value to the customer in a form of the service outcome. The wider range of resources a supplier has, the higher value the firm can

provide to the customer. In a value exchanging service process, a customer provides the supplier with the resources they can offer for producing a service. Therefore, the supplier receives value as a form of customer's resources too (Bithas, Konstantopoulous, Kutsikos, P. Sakas, 2015).

2.4 Value creation in customer interactive processes

To gain value from customer interaction process the firm must first be aware of its significance to the company. A company that selects customer interaction and engagement as tools for value creation is highly market oriented and aware of its clientele's worth. Customer interaction increases customer value and furthermore the value of the firm. With customer interaction, the firm involves its existing or potential customers in its development and production processes to learn more about their needs, preferences and values. A successful customer involvement process gives the firm a more in-depth and wider understanding of the clientele and thus is able to create services that both attract new customers and increase the loyalty of the existing customers. Although the firm aims to create monetary value to itself, the main course of the value creation process should always be pointed at the customer. The more value customer gains from a value-co-creating process, the higher monetary value the firm is likely to collect. (Edvardsson, Gustafsson, Kristensson, Magnusson, Matthing, 2006)

2.4.1 Sources of value in customer interaction process

Customer interaction process is a straightforward method in generating and creating value. In a service production process the integrated customer is introduced with the firm's internal service production factors, the resources and strategies the firm offers for each service production. Customer is directly affected by the internal factors, both successes and production failures. Although failures play as risks for a successful outcome of a service and value creation, the recovery actions of the firm can eventually augment the value creation process when executed in accordance with the preferred outcome. A production failure following with a successful service recovery process may therefore work as a value driver, and create even greater value than without the actions made for the recovery. Consequently, the value created through the in-the-end successful service outcome can render new resources for a firm when learning from one's mistakes. In addition, if a customer regards the strengthened relationship as of value after the recovery, the relationship plays as a source of value for the firm as well. (Bruhn & Georgi, 2006, 17)

The core product or service is not the only source of value emerging for business customers. Value creation in a service delivery process emerges

from all the interactions that support the core product combined. Therefore, the supplier should concentrate on not only the delivery of the core product but all the activities and operations that lead up to it, and possibly help the client creating value forward on. The firm should consider the service centric operations as how they can best provide the resources for the customer's value creation process. Service-centric view guides firms to extend its market offering to enable the customer to operate efficiently within the service concept and its relations to the customer's business processes. The core product should support the core customer process itself, and the extended offering should support the customer's business. The process of supplier driving all its efforts to support the client's corresponding processes is called Practice matching. (Grönroos, 2011)

The outcome of the service may create value for future incidents. For example, a firm may use the revenue gained from one customer to generate more value from another case. In addition, the resource-exchange may yield value-creating resources to a firm that enable further value-creating operations. A customer may in turn use the value gained from one service usage outcome to serve its own customers to generate revenue to oneself. For example, a customer that acquires a market analysis through a service purchased from a producer is able to target more customers of its own to generate monetary value to itself. A primary purpose of a service is still creating and delivering value to a customer. The firm value is generated through service delivery to a customer, which is why the two can be studied simultaneously. (Bruhn & Georgi, 2006, 9-15)

2.4.2 What makes a value co-creation in the interactive service process successful?

In customer interaction processes the core of the value co-creation is the continuing dialog between the supplier and the customer. One of the main principles in the process of value co-creation is trust. Accepting other's ideas and other input as trustworthy, creates a strong platform for a successful value creation. As the co-creation indicates the value is created together between the supplier and consumer, the trust indicates that both parties believe in each other's efforts in creating mutually beneficial outcome for the interaction process. However, trust is not automatic nor embedded in the value co-creation process. It rather renders from the dialog-based interactions that strengthen the trust between the two parties.

For dialog is based on back-and-forth actions and processes between the supplier and consumer, considering each other's ideas and solutions valuable is a key element for the interaction process to succeed. Without valuing each other's actions, the overall goals for a value-co-creative process fades (Meynhardt, D. Chandler, Strathoff, 2016). If one does not value the other's operations, one of the parties will most likely try to

force the other party's thinking in some planned direction that does not comply with accomplishing mutually beneficial outcome of the value creating process anymore.

In order for a dialog to render comprehensive and innovative outcome the participating parties' competences (skills and perspectives) should be relatively different. In the value-co-creative process the participant's competences should complement each other to co-create value. For starters, when choosing a partner for value co-creation, there should be a perception that the other party's skills and perspectives are competent and substantially different to serve the other with value-creating attributes. However, if the diversity within the competences is too wide, the interaction process does not serve both parties with mutual benefits, and therefore does not serve them with co-creative value process successfully.

When choosing a partner for the value co-creation process, the participants should have relatively deep knowledge about the other's select areas within the field of operations to enable trust to be created. And as mentioned earlier, without trust the dialog cannot succeed. Another meaning for the in-depth knowledge about the other party is to enable the most innovative and conventional ideas to be revealed in the dialog. Often the most creative thinking and idea-creation is hidden in the deep knowledge, which may only be induced by the other's input and effort (resource-exchange) in a productive dialog.

2.4.3 When to turn down a chance for value co-creation?

Evaluating the possibilities of a value creation process should be a natural part of the firm's value creation processes. Selecting participants for the interactive value creation processes should be based on the factors (trust, knowledge, etc.) that render a successful value creation process as stated in the previous chapter (p. 6-7).

In-line with having an in-depth knowledge about the selected participant is the evaluation of whether the expected value co-creation process outcomes are aligned with the firm's organizational culture and policies. If not, the process could quickly render high costs for a firm by increasing the opportunity costs. Opportunity costs may increase substantially when a firm loses significant amount of profit or faces relatively high costs for making a poor business decision. In terms of value co-creative processes, a firm could face significantly negative opportunity costs when handling the process poorly such as: selecting a participant for the process poorly, making an unreliable market research, rushing with the process, and finally resulting in weak outcome of the value creation. (Lusch & Vargo; Jaworski & Kohli, 2014)

3 CREATING VALUE THROUGH SERVICE PROCESSES

3.1 Services

Firms that offer a specialized customer care and orientation are most likely the ones understanding the concept of a service as Lusch and Vargo (2014) describe it: "We define service as the application of specialized competences (knowledge and skills), through deeds, processes and performances for the benefit of another entity or the entity itself." Service can therefore be regarded as embedded product concept specifically serving the needs of the receiving end of the service delivery process. The service product is the definition of what the service consists of, which nevertheless, may occur as widely different between each client. (Bruhn & Georgi, 2006, 147)

Services are processes that happen through co-operation of the supplier and the customer (Kryvinska, Stoskhikj, Strauss, 2016). Some could say the supplier is the only party responsible for producing a service in terms of service delivery. However, service does not happen without the usage phase, in which the customer plays the main role. Therefore, the service production is influenced and produced by the both parties: supplier and customer. Services are not based on a single transaction, but on a wider scale of activities, that combined create the service outcome through the interaction of supplier and service-use of the customer, which makes the services not only single business deals but processes with influence on multiple stakeholders.

In a service process, the service itself is co-produced with a customer, who in the supplier's perspective is perceived as an external factor to the production process of the service. Because a service is consumed and produced somewhat simultaneously a customer is able to influence the production part of the process (a service does not happen without a user) in which he or she is an external factor and the producer, the firm on the other hand is considered as an internal factor. The internal factor can provide the service, and the external factor may affect the way it will be produced. For example, in a meeting between a customer and a service provider, the service may be customized to meet the need criteria of the customer. The customer can also provide its own resources to the service and interaction. The outcome of the service is therefore co-produced by a producer and a customer, which serves the two parties in a form the parties have agreed to be exchanged. (Bruhn & Georgi, 2006, 14-15)

3.2 Delivering firm's core competences -the operant resources to customer's productions process

A service delivery process is merely about a firm delivering a set of the firm's specialized skills and knowledge in a form of service production

and service outcome. In a service delivery process, all actions a supplier makes should be to produce and deliver a service concept with a set of resources and interactive processes that support the practices and business outcomes of a customer. To produce an operationally efficient service, the entire concept should answer to the goals of customer's production processes. (Grönroos, 2011) How the firm perceives the existing and potential customer, as well as the markets and exchange processes, sets the course for the firm's way of approaching them. The set and quality of special competences a firm possesses - their operant resources, determines in turn how the firm perceives its audience. The type, quality and quantity of operant resources a firm has, depends on the concept and the field the firm is specialized in, in their production. Therefore, each firm has a specialized set of operant resources.

3.3 Service-centred view in marketing

In the latest three decades, the paradigm of marketing has shifted from goods-centric to service-centred view. As defined in the previous chapter services are processes that through the exchange of resources aim to benefit the customer. Consequently, based on that definition, service-centred marketing is highly customer-oriented. In their collection of essays in *Service Dominant-logic of Marketing*, Lusch and Vargo (2014, 9) imply that service-centred marketing is actually "series of social and economic processes that is largely focused on operant resources with which a firm is constantly striving to make better value propositions than its competitors."

Operant resources refer to intangible resources such as knowledge and skills, both physical and mental. Customer-centric marketing focuses on the operant resources, the core competences of a firm, that are communication, involvement and deep commitment to working solely towards the benefit of a customer without narrowing the use and learning of new operant resources. (Lusch & Vargo, 2014, 10; Prahalad & Hamel, 1990, 82)

In service-centred marketing processes a firm is in a continual learning process of improving the operant resources of the firm. Before going into the learning process - as a part of marketing, the firm is also to recognise the core competences -the operant resources, it already possesses to develop oneself in aiming for competitive advantage. Another factor in augmenting the competitive advantages for the firm is to be able to identify the potential customers. Customers can also be the source for operant resources. As services are fundamentally to serve a customer, the service-centred marketing is about identifying exactly those customers that would benefit from the core competences, that a supplier should constantly be developing.

Customer-centricity implies for the existence of business relationships between a customer and a supplier. A firm that interacts with customers by any way, are in some level of relationship with them. Service-centred marketing is to develop these relationships in a way that the firm is able to provide the customer with customized and compelling value propositions, that are to serve the specific needs of the customer. Another means to improve the firm's offering in terms of competences performance is -based on service-centred marketing view, to measure the marketplace feedback by analysing the financial performance of the firm.

3.4 Service-Dominant Logic: A new operational direction

The most logical start in describing Service-dominant logic (SDL) is to make a comparison to Goods-dominant logic (GDL), which used to be the core paradigm of the economic exchange processes. In GDL the focus is in the tangible goods, whereas in SDL the focus is in the exchange of services. SDL focuses on the application of specialized skills and knowledge as the focal paradigm of economic exchange.

As noted in chapter 2, services are applications of specialized skills and knowledge for the benefit of a customer. Service-dominant logic is built around the concept of the service. SDL can be explained with the definition and logic of services. No matter whether the firm's offering is about tangible or intangible goods, services or machinery products, the logic in SDL remains the same. In SDL, a firm's offering is built around the core competences (skills and knowledge) of the firm. Therefore, both services and goods are originated by the specialized competences, the operant resources. Specialized skills and knowledge are applied in the process of designing, producing and delivering services. And in case of goods-oriented offering, the operant resources are applied into manufacturing process (operand resources: i.e. machinery) that produce the final product. In the exchange process, where goods are involved, the goods are perceived as service provisions. (Lusch & Vargo, 2014)

By relying on the definition of services, it can be said that services are included in every exchange process no matter the exchange involves goods or not. SDL today is also seen as one of the building foundations of society. As Vargo and Lusch (2014) explain it: "...in order to improve their individual or collective well-being, humans exchange the service – the application of specialized skills and knowledge – that they can provide to others for the service that they need from others". Because of the generalization of SDL to economic and societal activities, an implication by various scholars (i.e. Vargo & Lusch, 2014, 43) has been made that the economy has shifted from GDL to SDL.

3.4.1 The role of value in Service-Dominant logic

Adam Smith, a philosopher who today is said to be ‘the father of economics’ (Vargo & Lusch, 2014, 46), suggested that there was an essential role of the exchange in value creation and division of labour that were comprehensively dependent upon the application of operant resources. Hence, the division of labour may also be connected to the concept of SDL as it is merely based on the specialization of skills and knowledge within an organization. Consequently, the operant resources – the special skills and knowledge, create additional operant resources that are even more refined and therefore create both deeper and wider range of specialities within an organization, which thus supports division of labour being a natural part of a firm’s SDL.

SDL encompasses both value-in-use and value-in-exchange. By suggesting that the customer designates the value through the usage of the firm’s offering, the SDL supports the concept of value-in-use. The concept of value-in-exchange occurs when a firm receives financial feedback from the marketplace. The financial feedback can be translated into value the firm receives in the service exchange process in a form of monetary instruments. Value-in-exchange occurs when a firm uses the monetary instruments (cash or promise to pay) to acquire services such as employees and other service resources.

According to SDL the financial feedback from the marketplace also expresses what and how an organization can learn to improve the firm’s offering and performance. SDL is therefore relevant to both profit-oriented and non-profit-oriented organizations. Whether a firm aims for creating profit from the service exchange process or not, the financial feedback represents the willingness and need of the markets to engage in a relationship with the firm. (Vargo & Lusch, 2014, 49-50)

3.4.2 Service-dominant logic of marketing

The core element of marketing is to promote the firm or a brand to augment the customer to make buying-decisions. A successful service-exchange process, according to SDL, provides a customer with a positive experience about the firm. The process therefore augments the positive brand image and firm’s attractiveness, which consequently may encourage the customer for future business activities with the firm. The concept of service-dominant logic of marketing and how it is specific with the concept of marketing can be justified with an essay study by Sidney J. Levy presented by Lusch and Vargo (2014).

Based on the investigations by Hunt and Madhavaram (presented by Lusch and Vargo, 2014) the marketing processes of the firm should be driven by three main factors. Firstly, firm’s marketing should have a focus on the specialized skills and knowledge, the operant resources, that

suspect the firm to become competitively advantaged. Secondly, to have the most comprehensive insight to the markets, the firm should involve their customers in developing and customizing their offering as much as possible. Lastly, the goal for a firm's marketing processes should be to plant marketing within the organization to become the prevailing paradigm and operational culture guiding all other operations and competences.

3.5 Resource-exchange as a primary source of value creation in the interactive service delivery processes

When establishing supplier-customer business operations, the supplier firm is to commit to serving the customer with a primary purpose of providing the customer with value-creating resources. SDL is therefore highly customer-centric. However, a firm that follows the SDL does not necessarily need to separately apply a consumer orientation into their operational culture. By following the SDL, the firm should naturally be operating for the benefit of a customer.

By obtaining the SDL into firm's operations, the firm should accept customer as one of their primary resources. Customer obtains different perspectives on the marketplace, culture and the firm itself, in addition to other competences they might present. Therefore, considering customer as of necessity of a resource, widens the firm's vision about their potential in the markets. (Gibbert, Golfetto, Woodside, 2008, 46, Clark, Johnston, Shulver, 2012, 7)

Involving the customer into firm's operations, is likely to provide the firm with competitive advantage that the firm obtains by utilizing their customers' insight and capabilities as resources (Loïc, 2016). Resource-advantage (RA) theory that was first studied and invented by Hunt and Madhavaram (presented by Lusch and Vargo, 2014, p. 67-75), is primarily built on the marketing theory of competition. The theory that interdisciplinary links multiple academic disciplines together and converges them into one action.

As it has now been emphasized, the key element in creating value through the service delivery process is exploiting the resources of both firm and the customer. Resource-advantage theory explains that in the process of exploiting resources, innovation and organizational learning are natural components of it. An innovative use and creation of all available resources gives the firm prerequisite for evolving in the future.

Based on the Resource-advantage theory (Hunt and Madhavaram, 2014) "firm is a combiner of heterogeneous imperfectly mobile entities that are labelled resources." When combined with the incoherent demand a firm can compete with other actors in the field, creating diverse attributes to

the firm when it comes to the scope, size and levels of profitability of the firm.

Besides underlining the importance of the heterogeneous resources the theory of resource advantages emphasizes the significance of market segments, recognizing comparative advantages as well as disadvantages in resources and positioning oneself in the market place of competitive advantage. When it comes to defining the meaning of market segments in the value-creation, the firm should recognize all the available resources (tangible/intangible) in order to exploit them in producing market offering that delivers value to some market segment.

Hunt and Morgan (1997) have defined nine premises for the Resource-advantage theory that explain comprehensively the theory and the means of it in practice.

Foundational premises of Resource-advantage theory

Table 1.

P1: Demand is heterogeneous across industries, heterogeneous within industries, and dynamic.

P2: Consumer information is imperfect and costly.

P3: Human motivation is constrained self-interest seeking.

P4: The Firm's objective is superior financial performance.

P5: The Firm's information is imperfect and costly.

P6: The firm's resources are financial, physical, legal, human, organizational, informational and relational.

P7: Resource characteristics are heterogeneous and imperfectly mobile.

P8: The role of management is to recognize, understand, create, select, implement, and modify strategies.

P9: Competitive dynamics are disequilibrium-provoking, with innovation endogenous.

Hunt and Morgan, 1997

3.5.1 Exploiting the premises of Resource-advantage theory in the customer interactive service process

Since service processes are built around the exchange of customized resources, utilizing those as competitive advantage within the markets seems reasonable. The logic and idea of resources is well-covered in Hunt's and Morgan's (1997) Resource-advantage theory, which provokes this study to analyse the essence of such in the customer interactive service delivery process.

The link between the RA theory and customer interaction process is appealing. Since service delivery process is highly customer-centred and service is co-produced with a customer, implementing RA theory with the

process of customer interaction in service delivery process is strongly recommendable. The following evaluations about the RA theory premises will create an appearing and appealing link between the RA theory and customer interactive service delivery process.

P1: Demand is heterogeneous across industries, heterogeneous within industries, and dynamic.

First premise of Resource-advantage theory (Table 1.) appoints that customer needs and desires – the demand varies greatly. It is therefore fair to say every customer engagement and involvement event is likely different. The P1 also states demand is quick to react on changes and tends to be dynamic. Accepting and preparing for the heterogeneous demand enables the firm to modify their offering to meet the changing customer needs and desires for customization. During the customer involvement process the firm's ability to react quickly to changing demand increases the potential for co-creating greater value.

P2: Consumer information is imperfect and costly.

Firms should remind themselves about the risks the customer interaction process might bring around. The information consumer provides may not always be the best solution to take actions on, nor to apply them on a bigger audience. Even though the point of interacting with customer in a service/product delivery process is to collect information about the needs and desires of a customer, firm should react on those on the basis of co-creation, and not by acting solely on customer's opinion only. The purpose of the interaction and co-creation is to work together, by collaborating, integrating and adjusting one's ideas into the other's thoughts and goals.

P3: Human motivation is constrained self-interest seeking.

In a service production and delivery processes, the internal and external factors that drive for acting on individual goals of both supplier and the consumer, are the factors, that define the level of participation and effort put in the processes by both parties. As the premise 3 describe it, motivation to act on one's goals is driven by everyone's individual goals and interests. In the interaction process, the motivation of both parties should be taken into account by converging one's selfish energy into the application for finding solution fitting to and benefiting both of the parties.

P4: The Firm's objective is superior financial performance.

As it has been defined, a firm's ultimate goal in the value creation process is to create financial profit through the service delivery and customer interaction process. Evaluating and analysing the resource investments put in one process should be to enable the rightful use of firm resources in order to create superior financial performance while delivering maximized value to a customer. The goals in creating superior financial

performance should therefore be to discover the path in which both the firm and the customer earn the highest possible benefit.

P5: The Firm's information is imperfect and costly.

Maximizing the value creation through co-creation process includes the exchange of resources. Firm should be aware of its own resources and capabilities, in order to choose the best set of resources for one service delivery process, modify them if necessary and make additions through acquiring operand and operant resources. Maximizing the competitive value of one service delivery process, depends on the resource evaluations and allocations based on the predicted value from one interaction process. The interaction process is also a source of new and additional resources to both firm and customer. The firm should be able to identify the customer as a source of resources.

P6: The firm's resources are financial, physical, legal, human, organizational, informational and relational.

The resources invested in one interaction and service delivery process can be divided into different categories, which may be used as a guide in the resource allocation. Firm's competitive advantage depends on their unique resources and capabilities. The possession of those does not necessarily give a firm competitive advantage, but how firm chooses to utilise and develop those, is likely to define their success over the other players in the markets.

When categorizing firm's resources, it should be noted that specific definition about each division does not qualify within every firm. Since each firm's resources are different from another to some point the study should clarify the resources by giving examples of each category rather than generalizing.

Firm's financial resources are i.e. cash and bonds, whereas physical resources indicate the firm's capital goods such as land and machinery, the operand resources. Legal resources appoint to the firm's official records of ownerships and rights such as patents and trademarks. Human resources are naturally the human capital (employees) of the firm. However, in the service delivery process and interacting with customers do not rely on the number of people working on the process but the competences they bring about, the skills and knowledge mostly. Organizational resources of the firm indicate to the kind of operant resources such as culture, policies and competences that can create the firm more profitable operational environment than its competitors.

Resources acquired from the customers indicate to a firm's informational and relational resource capacities and capabilities. Although other resources can be gained from external sources as well, these two make the most of it. Informational resources may consist of data collection from customers and relational can be the relationships between

customers and suppliers that create some type of mutual benefits and value. However, the resources from these external sources can only be considered as resources if they create value directly or indirectly to some market segment through the customer interaction in a service delivery process.

P7: Resource characteristics are heterogeneous and imperfectly mobile. Each resource of a firm plays some type of value-creating role for the firm. However, each resource cannot be limited to one singular value-creating quality. The influences a unit of resource may have on an interaction process can be unilateral or affect both actors. Heterogeneity of a resource unit characteristics appoints to having more than one type of influence on the process. For example, an employee is considered as a unit of resource and can contribute to the process with all his or her skills and knowledge. Immobility of the resources indicates to that the firm's unique resources are not easily sold and transferred in the marketplace, which creates greater competitive advantage for the firm.

P8: The role of management is to recognize, understand, create, select, implement, and modify strategies.

Similarly, as choosing the right set of resources to be exchanged in the customer interaction process, the management of a firm should evaluate and decide on which strategy (or strategies) should be run around the resource usage in the process. Without recognizing the value of importance of the resources, the strategy could easily fail the purpose of exchanging resources in the first place. Therefore, selecting the correct means for utilizing the resource exchange process as a strategy for seeking competitive advantage plays an essential role for implementing customer interaction processes into firm's operations.

P9: Competitive dynamics are disequilibrium-provoking, with innovation endogenous.

Exploiting the RA theory premises in firm's marketing strategy and customer-relationship management for customer interaction processes motivates for understanding the dynamics of competition within the field in the markets. Different firms using various resource capacities influence the competition by creating distractions and unbalances for the state of equilibrium. Competitive dynamics encourage the distraction on the balance between supply and demand, which in the 'perfect competition' would be in balance. Hence, a firm is able to gain significant competitive advantage by acquiring the right (value-creating) set of resources and allocating them correctly (co-creating value) into customer interaction process.

4 IS CUSTOMER A VALID SOURCE OF RESOURCES?

4.1 Introduction to Survey

As defined earlier in this study, services are primarily for the good of the customer, therefore the supplier's value creating processes are customer centred and value creation as a concept is based on creating value to the customer. The tools for creating value for a customer are merely the firm's operant resources. Very little has been studied the value creation for a supplier in interactive service processes.

FinnMedi is highly service-oriented and customer-centred. The company interacts with customers, and operates through customized service offerings. Customers propose as potential resources for FinnMedi. An empirical study now examines the value creation to a supplier, with an aim to discover the value firm receives from their customer interactive service processes and whether that value has helped the firm advance their service processes there-after. In addition, the Survey will aim to discover whether there is a service-dominant paradigm in their service processes in FinnMedi.

4.2 Implementation of the Survey

The survey was aimed at studying customer interactive service processes at FinnMedi. The content of the survey was to provide an understanding about the firm's perception about considering customers as resources and whether that paradigm should be carried out in operations in the future. Even though the survey is conducted in English, the questionnaire was provided to the commissioning company in Finnish, because of the Finnish nationality and operating language of all employees at the company.

The survey questionnaire included both open ended and close-ended questions. The open-ended questions were to provide both wider and more in-detail understanding about the service process flow at Finnmedi and the degree to which customer resources are involved in it. The close-ended questions included both multiple choice questions and questions with predefined response options. A few of the questions included an instruction note to specify what was meant with the question.

Since there was no predefined information about FinnMedi's efforts in utilizing customer resources, most of the responses were collected as evaluations based on experiences and opinions of the FinnMedi personnel. Most of the close-ended questions were formed as evaluations, to which respondents were expected to reflect upon their experiences and opinions. The scale in multiple choice questions between 1 to 5 was designed to allow the respondents to give their responses as truthfully as possible.

The survey was sent to all 16 employees within the firm, who operate in the service sector. Specification of or distinction between the employees' working areas was not necessary because the survey was designed to provide solutions to the service processes at FinnMedi at organizational level. It was more relevant for the success of the survey to find out the level of customer interactions activity the respondents deal with in service operations.

The survey was created with an online platform, Google Forms. The system allowed personalization of the survey in terms of content, layout and function. The survey questionnaire was made in accordance with the author's preferences about the needs of the research. The survey was sent to the respondents by an email request that included a link to an online questionnaire. In addition, the email included cover letter explaining the purpose of the survey. The cover letter also explained what issues the questions were going to deal with. The respondents were also confirmed about the confidentiality and anonymous of their responses to encourage them for providing truthful responses. An estimation of time the responding would take was also included in the cover letter to both encourage the respondents for answering the questionnaire, and prepare them for the effort they would be asked to put in answering.

The survey was opened and the respondents were sent the link to the survey via email on the 23rd of February 2017. By the 6th of March the respondents were sent a reminder email when only 6 out of 16 had responded. After sending the reminder email a half of the responses arrived. The online survey questionnaire was closed on the 16th of March 2017.

Total of 13 responses out of 16 were returned, with a response rate of ~81%. The commissioning company communicated successfully about the importance of the survey to the personnel which is why the response rate was expected to be as high as 81%. Because of the sample size being as small as 16 the response rate was necessary to be nearly 100% for the survey to be successful. All survey questions but one were mandatory for all respondents to answer. The survey was purposely made as short and plain as possible to enable providing mandatory questions. Only one open question was optional, which was responded by six employees. The one optional question required the respondents the most effort of all questions.

4.3 Reliability of the Survey

Reliability of the questions is evaluated based on three standards (Groves, Fowler, Couper, Lepkowski, Singer & Tourangeou, 2004):

1. Content standard
2. Cognitive standard

3. Usability standard

Content standard points to whether questions measure what is intended to measure with them. Cognitive standard requires the questions to be understood by the respondents as they are meant to be understood. In addition, based on Cognitive standard, questions should enable answering according to respondent's true nature of their minds. According to Usability standard, questions should require the respondents to invest reasonable degree of effort into answering.

The content of the questions in the survey, was based on the theory of Service-Dominant logic (Lusch & Vargo, 2014) and Resource-advantage theory (Hunt & Morgan, 1997). The Survey aimed at connecting the two theories and ideologies in the content and structure of the survey questionnaire.

Wording and content of the questionnaire was created in a way that questions would support the overall aim of the survey. Structure and order of the questions in the Survey questionnaire was made by following the suspected service process. After the first part collecting background information about the respondents, the structure and order of the questions was formed in a chronological order of the service process. Second part being about the initiation of business relationship or service process third studying what happens in the planning and production part of service process. The last part then collected data about what happens after the service has been delivered. The last part also measured the perception about customer resources as source of value within the firm.

All in all, can be said the wording and content of the questions supports measuring the intended issues. The wording of the response options for each question were also clearly aimed at either gathering responses with absolute truth or responses solely based on experiences opinions or evaluations. Few of the questions that posed a possibility of misunderstanding were added with short instruction descriptions to specify the purpose of the questions.

As mentioned in the previous part of this survey, the survey questionnaire was conducted in Finnish in practice, despite the language of the complete research. Questions were translated from an original English version to Finnish as directly as possible to enable the correct and intended understanding for the respondents. In terms of wording, the translation and the overall wording appeared to be very successful.

One question 'What affects choosing personnel for a service process in terms of the competences of the personnel?' with predefined multiple choice response options did not include an option for a respondent to give one's own answer. In case the predefined options in this question did not include any rightful responses, the respondent was therefore not

able to provide additional information or an answer that would be more suitable for one's mind. For this can be said, the question about selection of personnel did not provide as reliable results as it may have with the added response option. However, when comparing this question with an open-ended question about service process initiation in the Survey, there can be noticed similarities in the responses. Therefore, can be said the question about the selection of personnel provided mostly reliable results and can be considered as valid for the survey.

The survey was aimed at providing questions that would require the respondents reasonable amount of effort in terms of respondents' own resources. The respondents were required to invest time and cognitive resources into answering, such as contemplating the content of the questions and memorizing their experiences for the responses. Most of the questions required reasonable or rather small amount of effort put into answering. Open-ended questions required the most effort as well as the questions in which the response required memorizing employee's own experiences about customer interactions and service processes. The content of the survey was not demanding for the respondents' understanding. Effort put into understanding the purpose of the questions was supported in a few questions with addition information about the content or instructions to specify what is intended to measure with the question.

4.4 Employee background information

Question 1 'How long have your worked at FinnMedi?' asked the respondents the length of their working period at FinnMedi. The responses were given in years. The aim of the question was to find out what is the range in working time between the respondents. The range would tell the differences in giving responses, in terms of experiences from the service processes and customer interaction within the organization. Because several questions in the Survey were based on employees' experiences, another goal for the question was to measure the overall reliability of the respondents in giving answers that are based on working experiences at FinnMedi.

As shown in Figure 1. only one respondent of total 13 had two years or less experience in working at FinnMedi. 12 out of 13 respondents had been working longer than two years at FinnMedi, which indicates that responses for the Survey are reliable and the results can be considered as accurate. There is relatively wide range in working time within the employees in the service sector at FinnMedi. However, most responses were ten years or more, which strengthens even further the accuracy and reliability of the responses. Eight respondents out of 13 with a rate of ~62 % had been working five years or more, while the rest of the respondents had mostly been working from 2 to 5 years.

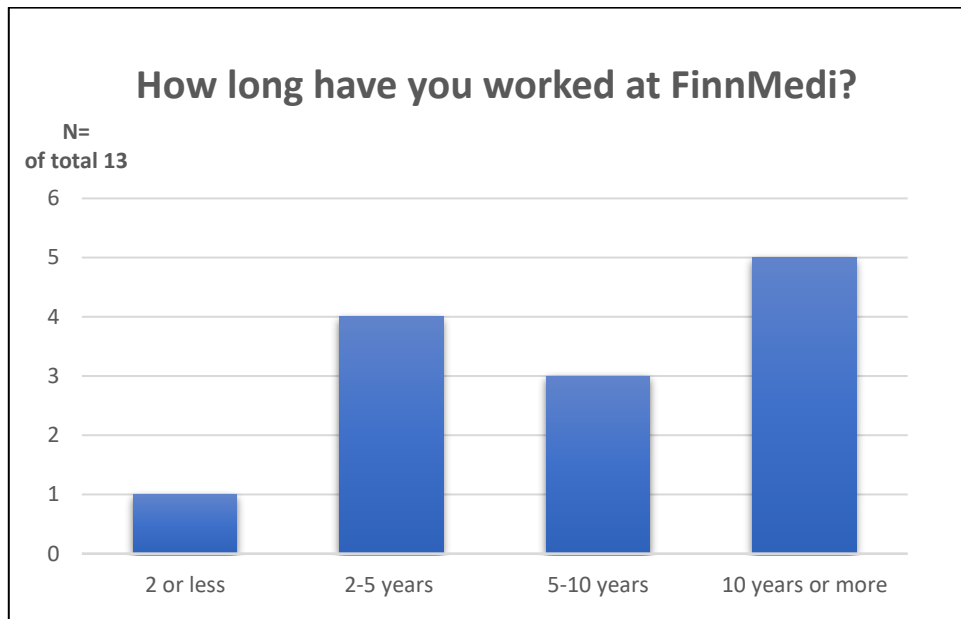


Figure 1 Value creation through customer interactive service process at FinnMedi: Time of the employees' working experience.

The second question of gathering background information about the employees is 'How often do you interact with customers?'. The question aimed at discovering whether the employees at service sector interact with customers or not and at what level of frequency. The results would also provide evidence for the reliability of the Survey.

Figure 2 shows that all 13 respondents deal with customer interactions. The results were not surprising, since as mentioned earlier, FinnMedi is highly customer-oriented company. The main point of the question was to find out the possible differences in frequency of customer interactions between the employees. Most of the employees 9/13 interact with customers frequently. The remaining four employees replied 'Quite often', which indicates that there are no big differences between the employees in interacting with customers.

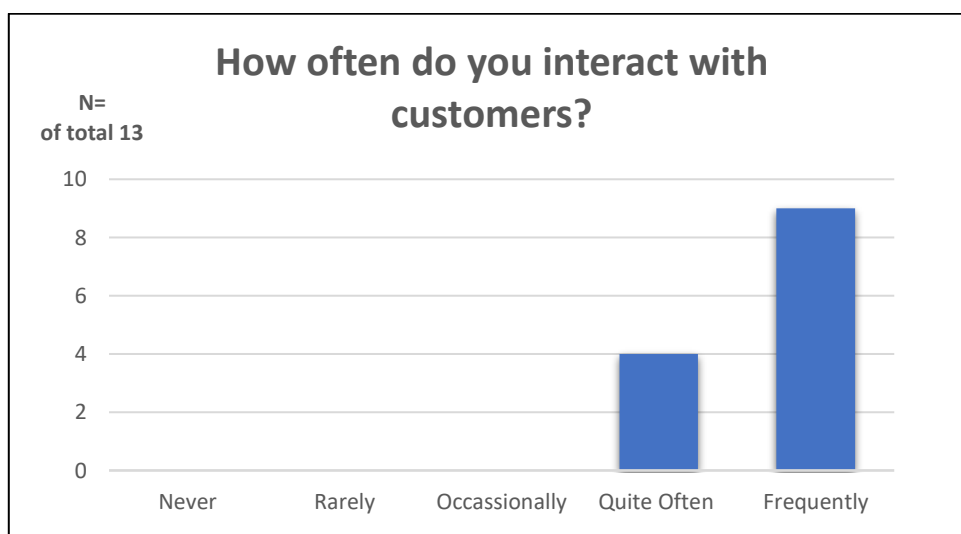


Figure 2 Value creation through customer interactive service process at FinnMedi: Estimated frequency of employee-customer interactions

Seeing customer interactions in a positive light often speaks great deal about the success of dialogs with customers. One of the key factors in customer-centred services is reacting to customer's behaviour and input. Perceiving customer as co-creator in a service process is heavily dependent on the firm's attitude towards them. Question 'Co-operating with customers is pleasant' asks employees to evaluate how they commonly perceive customer interactions. The responses were given based on employees' opinions by either agreeing or disagreeing with the statement. The predefined response options ran from strongly disagree to strongly agree with more neutral options in between.

As Figure 3 demonstrates, employees at service sector of FinnMedi perceive customer interaction fairly positively. All responses were from options Agree and Strongly Agree. Therefore, it is safe to say, there is commonly positive attitude towards customers and customer interactions within the organization. Employees are therefore most likely to reflect positively on customer interactions and be motivated to accomplish mutually beneficial goals with customers.

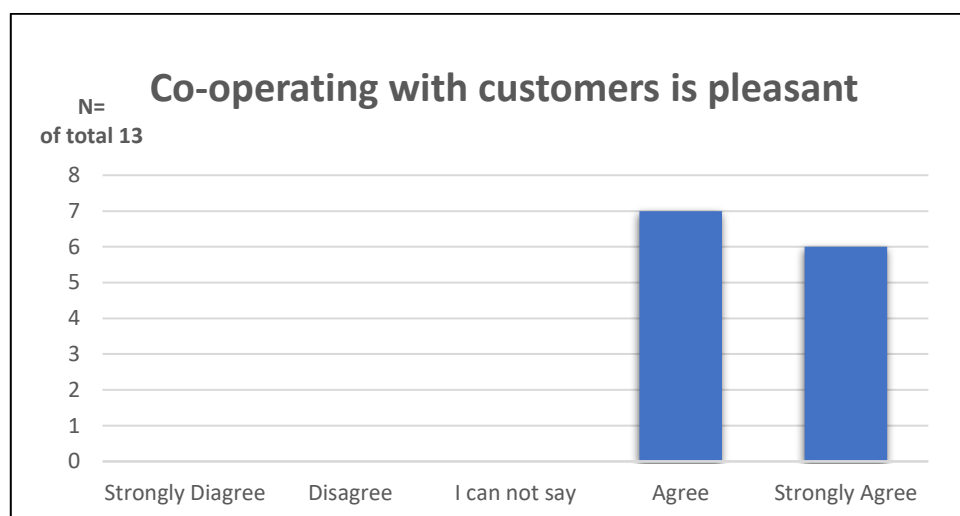


Figure 3 Value creation through customer interactive service process at FinnMedi: Attitude towards customer interactions and paradigm on Service Dominant logic.

4.5 Service process flow at FinnMedi

Next the survey aimed to gather information about the procession of services at FinnMedi, and what is the role of customer interactions in it. Both questions in this section were open-ended and thus required the respondents a greater effort than other questions in the survey. The questions were compulsory to all respondents, which was expected to decrease the depth and quality of the response data. However, the respondents replied the open-ended questions with great effort.

The survey aimed at firstly examining the factors that FinnMedi takes into consideration when making a decision on whether to proceed to service process with a client or not. The question was formulated as: 'What are the factors for selecting a client for service process?'. There was an instruction note included in the question that showed an example of such factors to aid the respondents for better understanding of the purpose and scope of the question. The example on the instructions note was formulated as: 'E.g. Operating field, Resources of FinnMedi, Business relationship'.

All 13 respondents replied to the question. Analyzing the question aimed at discovering similarities in the responses and to consequently evaluate the cohesion on the subject within the organization.

Three main categories were built from the most typical and common responses. The first category was formed based on responses that referred to 'The quality of a relationship to a client', which demonstrates the employees' respect for clients and clients' perception about FinnMedi. The responses were formulated differently within the respondents but all referring to aspects of a well-functioning client relationship. Most of the comments mentioned trust or other social attributes as factors or on a more general level the existing relationship. There were eight of 12 responses that included direct or indirect indications to client relationship as for example:

- "Relationship to a client is the most important factor"
- "Trust on a personal level"
- "Existing relationship to a client"

The second most common response category was formed based on comments that referred to FinnMedi's operant resources such as skills and knowledge of the service personnel at FinnMedi. The second category was 'Competences of service personnel'. These kinds of comments indicate that the employees regard their own competences highly valuable to the service process and customer relationship, as the previous category revealed. The comments were for example:

- "The substance know-how of personnel"
- "Quality of employee's work"
- "The employees' know-how on the field"
- 'FinnMedi's resources, especially digital know-how can be a limiting factor'

The third category was formed as 'Other operant resources of FinnMedi' which included responses that referred to any operant resources as defined earlier in the Survey, such as relationships to external resources, networks and facilities. It is clear, based on all the three categories, that the service sector employees at FinnMedi value external resources in addition to their own competences when initiating a customer

relationship. The comments on this category were for example as following:

- “...FinnMedi’s good contacts/networks, that most customers do not have, but need for their own operations.”
- “Good reputation”
- “Client’s respect towards an employee or/and FinnMedi”

After evaluating the influences on starting a service process with a client, the survey aimed to discover the phases that are most typically involved in the service process initiation. The respondents were asked with an open ended question the following: ‘How is the service process initiated?’. To clarify the purpose of the question, there was an instruction note included in the survey, which was formed as: ‘From first contact with a client to signing a service contract’. The instruction note was to guide the respondents to tell the phases a service initiation involves. The purpose of the question was to also evaluate the degree to which customer is involved in the initiation process.

The question was answered by all 13 respondents. However, one response contained only a question mark, that did not offer the Survey any relevant data. Therefore, the analysis will only focus on those 12 responses that contained relevant content to the Survey. However, it must be mentioned that the one left-out response can indicate to either poor understanding of the question or unwillingness to invest with the respondent’s effort the required amount.

The survey recognized five most common phases in the initiation of service process. A few of the responses were given with rather vague description about the initiation process, whereas some responses included detailed descriptions about each phase. Ten of the 12 responses included similar content. The content of the other two responses included content that did not match the other ten responses, but were almost identical to each other.

The typical phases that were found in the responses were as following:

1. Client contacts FinnMedi first (in most cases) OR FinnMedi sells the service after which client contacts the firm
2. FinnMedi meets with a client to clarify and specify the needs of the customer
3. Outlining the service concept
4. The client makes an enquiry with possible counter enquiries back and forth
5. Service contract is defined and signed
6. The production and customization of the service begins

Other additions to the above defined phases were comments as for example:

- “FinnMedi makes a customer need assessment for consulting with external resources”
- “Building a business relationship may have required a long-term co-operation and interactions to enable trust between FinnMedi and the client”

The two responses that were exceptional to the group of ten similar comments described that service happens with an existing partner, which is part of FinnMedi operations. The comments do not identify client recruiting as a part of service process which points to having long term relationships with same clients that are regarded in the organization as partners.

All 12 responses tell that customer interaction is focal part of the service initiation process at FinnMedi. According to the most common phases as defined above, customer is involved in every phase of the process.

4.6 FinnMedi’s ability to benefit from customer resources

One of the main goals for the entire survey was to study in detail the concept of value co-creation in customer interactive service processes. In order to evaluate the potential for benefiting from customer resources in the process, it was first necessary to study whether the concept is acknowledged and accepted by the employees and management at FinnMedi. Secondly, the survey aimed at discovering whether the matter has even been communicated within the company. How the company perceives the importance of resources as tools for value creation builds a base for accepting customer as source of resources to a far extent. Accepting the concept of Service-Dominant logic as a prevailing operational paradigm enables benefiting from resources from outside the scope of the firm. As can be seen from the list of premises (p. 14) of Resource-Advantage theory (Hunt&Morgan, 1997), benefiting from the complete range of resources available from customer interaction firm must first assess the use of resources as primary tool for creating value.

Most employees at FinnMedi understand the value of customer resources as a tool for creating value. In addition, most employees also feel that FinnMedi -as an organization regards customer resources as a source of value. The results from evaluating a statement ‘FinnMedi values customer resources as source of value for FinnMedi’ are demonstrated in Figure 4. From 13 employees who answered the Survey, 9 evaluated the statement as either ‘Agree’ or ‘Strongly Agree’. The remaining 4 employees out of 13 respondents replied: ‘I can not say’, which indicates to that they either do not understand the worth of customer resources or the whole concept in the first place. Whether the employees understand the concept or not it is clear that the value of customer resources for FinnMedi is not widely communicated by the management or within the organization.

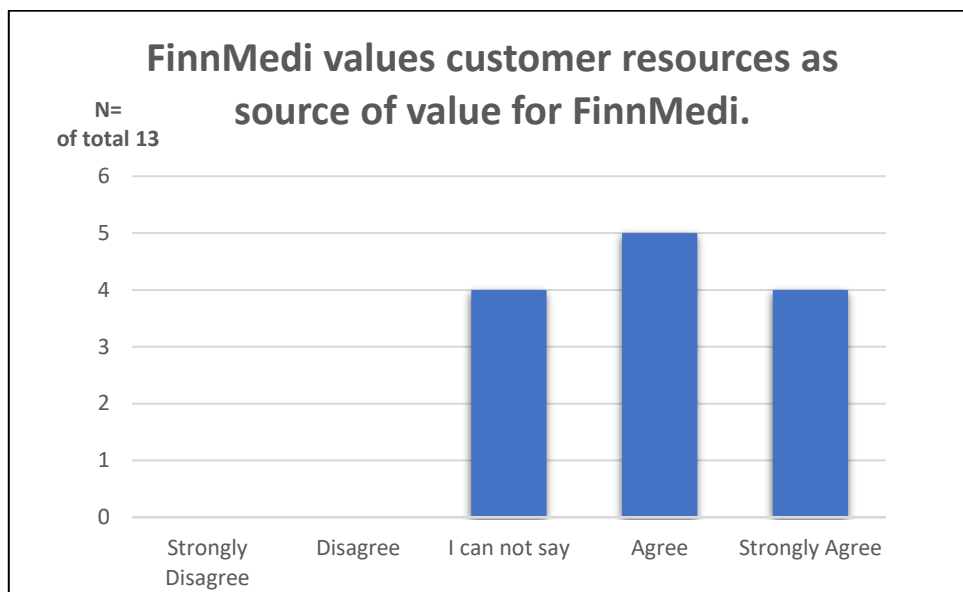


Figure 4 Value creation through customer interactive service process at FinnMedi: Employee's perception on company's paradigm on customer resources.

Respondents were asked to evaluate a statement 'Resources gained from customers are valuable to FinnMedi's service offering' (Figure 5) based on their knowledge and opinions. From 13 respondents 8 employees replied 'Agree' while 5 replied 'I can not say'. Therefore, most employees appeared to understand the value of customer resources for the service offering of FinnMedi. It is, however, somewhat unclear whether the influence of customer resource on services has been communicated within the organization. The employees seem to acknowledge that customer resources have some type of influence or purpose in terms of service offering of the company. However, none of the employees seem to accept that customer resources would have any major impact on the service offering. Figure 5 shows that no-one replied: 'Strongly Agree' on the statement.

There were relatively many responses on the option 'I can not say', which may indicate to not recognizing the concept as valid for FinnMedi or that the employees simply cannot evaluate the concept for the lack of knowledge. All in all, it is obvious that all employees are not aware of whether customer resources have any impact on service offering of FinnMedi. In addition, the employees that recognize that customer resources have some type of value to the service offering, have not recognized any significant impact based on their experiences.

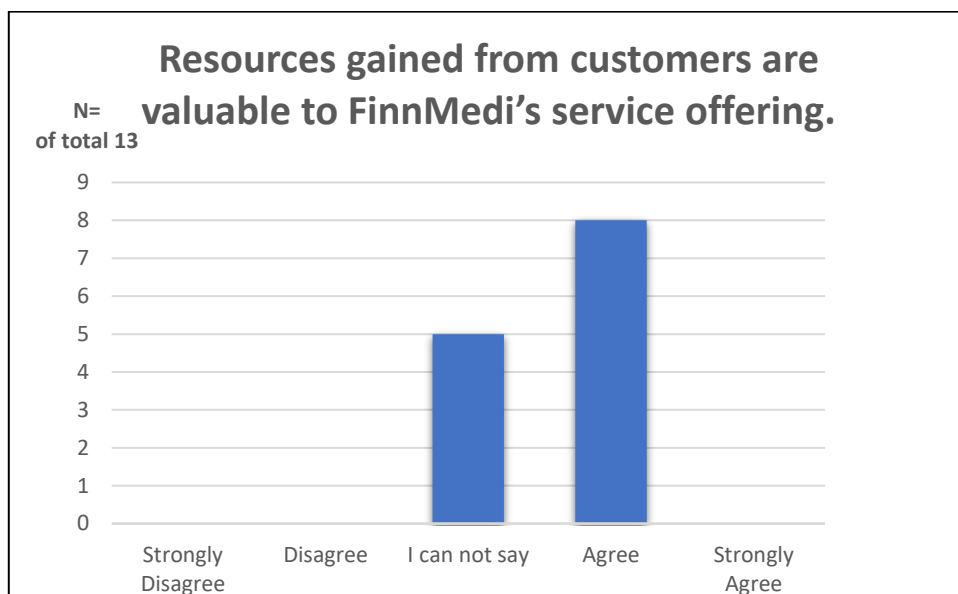


Figure 5 Value creation through customer interactive service process at FinnMedi: Awareness of the influence of customer resources on FinnMedi's offering

In addition to evaluating how customer resources affect the service offering of the firm, the respondents were asked to evaluate the effect of customer resources on their own competences. The results were given based on experiences and opinions of the employees. The main purpose of the question was to evaluate how employees perceive customer resources in terms of developing their own skills and knowledge. Another interest for the question was to compare the results from Figure 5 and Figure 6, to enable evaluating the resource use at FinnMedi.

As seen from Figure 6 most responses accounting 7/13 respondents were in neutral agreement with the statement, which tells that most of the employees do think that customer resources affect their competences in some way but do not feel that customer resources have any major impact on their competences. Only two respondents felt strongly that customer resources have an influence on their competences such as skills and knowledge. Four out of 13 respondents replied: 'I can not say', which tells that those employees do not know or have not recognised whether customer resources have influenced their competences.

The results from Figure 6 differ relatively much from Figure 5, by considering the Resource-advantage theory and Service-dominant logic that claim that services are built on resources. Resources that affect the competences of supplier's employees have both indirect and direct effect on the concept and quality of the supplier's services. Differences in employees' responses to these two questions/evaluations can indicate to the lack of knowledge on the role of resources. Employees do not seem to fully understand the relationship between the resources and competences, and services they provide for customers.



Figure 6 Value creation through customer interactive service process at FinnMedi: Employee's perception on the influence of customer resources on their own competences.

4.7 Implementation of resources into service processes at FinnMedi

In order to gain the highest possible benefit from customer interactions the firm should control the use of resources and exploit all possible sources of resources that a customer interaction process can render. As Maglio, Vargo to mention a few, explain it services are based on the value exchange, that is created through the exchange of resources.

The role of resources at FinnMedi in service processes will be studied and evaluated through the results from the survey that are demonstrated in Figures 7, 8, 9 and 10. The following survey evaluations will consider the use of resources in service processes and resources that a customer interaction process may render indirectly.

Service that is co-created by the service workers and customer rely on the resources they both possess and exchange. In the beginning of a service process a client is first addressed with supplier's employees. The resources these employees possess affect directly on the success of the service and value co-creation. The respondents of the Survey were asked to respond what are the factors that influence on the selection of personnel for a service process. Secondary aim of the question was to evaluate whether the role of resources is perceived similarly within the firm. Consequently, the question aimed at evaluating whether the management communicates about the role of resources to FinnMedi's employees.

Employees were given five different predefined response options for a question 'What affects choosing the personnel for a service process in

terms of the competences of personnel?'. Respondents were able to choose one or more response options that best suited their knowledge about the topic. It was suspected that every employee should have at least some information about the subject. Respondents were able to provide responses based on their knowledge and perceptions about the issue, which gives the survey a wider picture about the paradigm on the role of resources within the firm.

Four of the five response options in total were specifically about the employee's competences. One of the five response options aimed at discovering whether employee's own initiative affects for the selection of service personnel rather than comparing employees' competences. Of 13 respondents, 11 replied that employee's skills and knowledge affect selecting personnel for a service process. The second most relevant factor in employees' perceive was the existing relationship between an employee and client. Seven employees -roughly half of the respondents considered employee's interaction and social skills to be a factor in the selection of service personnel whereas employee's relationships to external expertise was answered by six respondents. The only question that did not directly regard employee's resources was replied by only two respondents.

The role of resources is considered somewhat similarly within the employees. The most appealing difference in the responses was that skills and knowledge in general was replied by almost all the respondents whereas interaction and social skills were not considered significantly important for services. In terms of service processes and customer interactions, competences (employee's own resources) do play an important role based on employees' perception, which may indicate that employees' competences are also valued by the management. The role of employees' competences in a service process seems to be communicated within the organization on a very general level, whereas specific skills and other competences do not appear as important.

Only two of 13 respondents considered employee's own initiative to be a factor in selecting the service personnel, which may indicate that there are some cases or service types in which the employee initiates the service process him or herself.

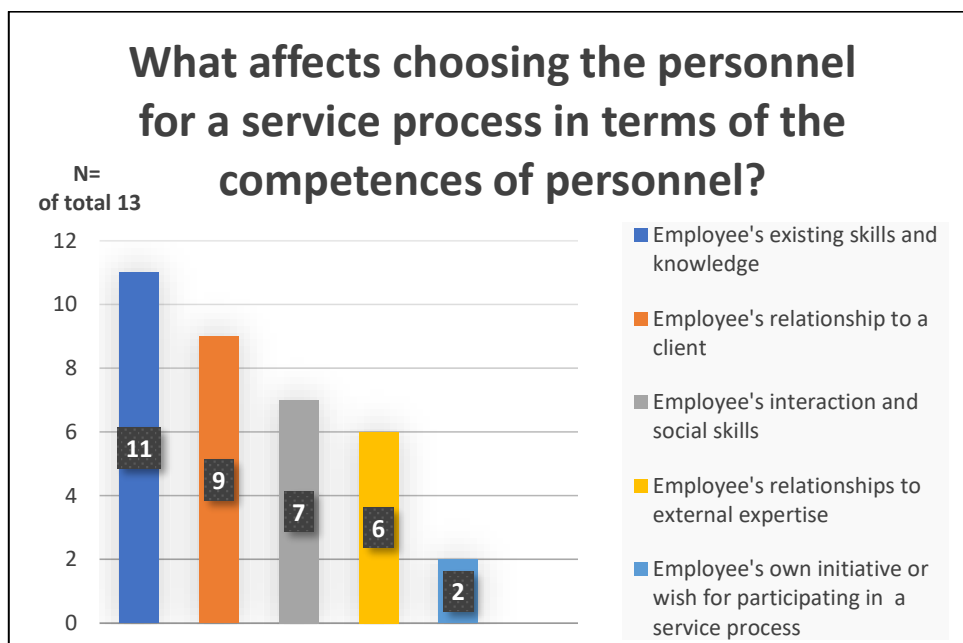


Figure 7 Value creation through customer interactive service process at FinnMedi: Factors influencing on the selection of the employees to a service process.

One of the key aspects of service operations in FinnMedi is the customization of each service process. Exploiting customer interactions in the service customization was evaluated in the Survey by measuring the frequency of involving customers in service planning stage. The responses were expected to be unanimous.

As demonstrated in Figure 8, most of the respondents -accounting 9 of 13 answered that customers are always involved in the service planning stage. The results show relatively big variations in involving customers in the service planning stage, when the firm specifically focuses on customizing each customer's service process and outcome. Even though it is possible that some clients may not initiatively offer their knowledge or skills for the service planning, the supplier should involve them in some way in order to succeed in customizing their offering to answer specifically to the needs of a customer. Additionally, to benefit (both supplier and customer) from the resource exchange customer should be included in the interaction process as widely as possible.

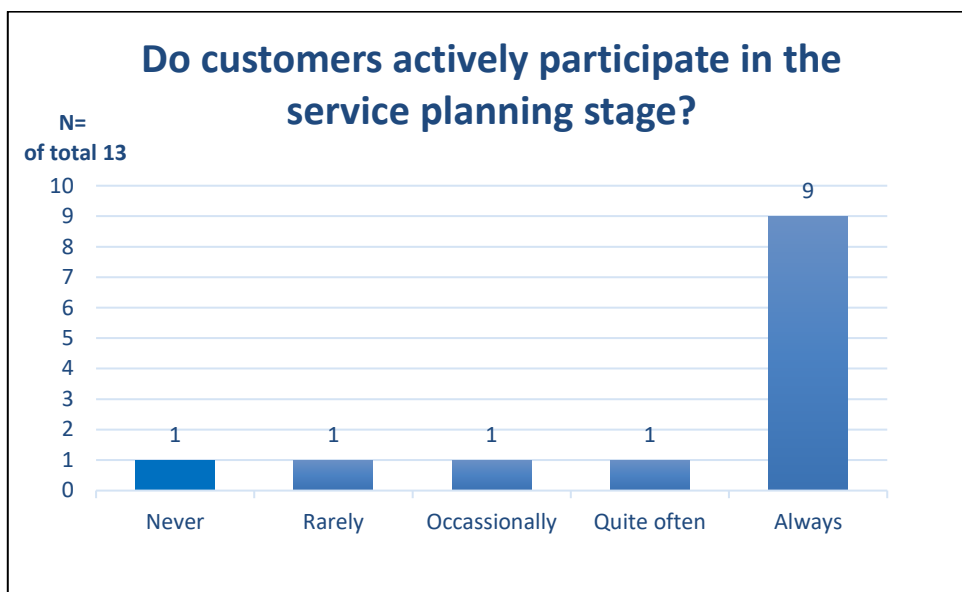


Figure 8 Value creation through customer interactive service process at FinnMedi: Benefiting from customer resources in the service planning stage.

The survey aimed also at discovering whether customer interaction process may trigger needs for acquiring resources elsewhere in order to provide the requested service. Cooperating with some external source of expertise may also be a natural part of a service process, but nevertheless triggered by the customer interactive service process.

The survey aimed at measuring the number of employees who had gained resources by consulting with some external source of expertise in order to provide the content of a service or exchange the resources in need.

Nine of 13 respondents, with a rate of 69 % had gained resources outside FinnMedi in order to contribute to a service process. Therefore, customer interaction processes have rendered additional resources and increased value creating tools for FinnMedi.

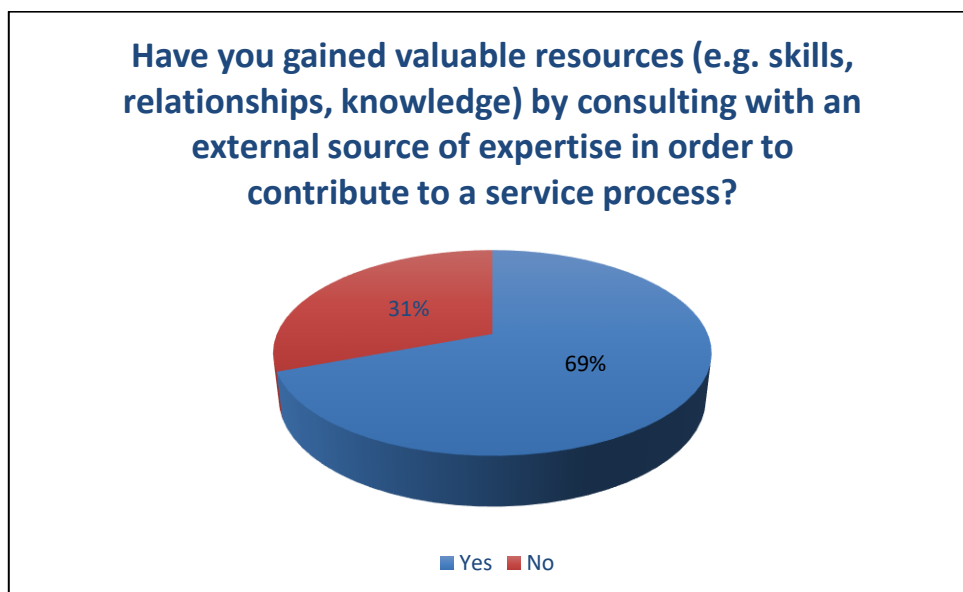


Figure 9 Value creation through customer interactive service process at FinnMedi: Contributing to a service process by acquiring resources from external expertise

Employees were asked to answer upon their experiences whether they feel FinnMedi as an organization encourages them to collect resources from customer interactions. The purpose of the question was to study how the management of FinnMedi communicates about the value of interactions to the company.

The results were strongly diverse as demonstrated in Figure 10. Five of 13 respondents felt the organization had encouraged them to collect resources from customer interactions although, none of the employees had any significant experiences of the issue, which is shown as zero responses to option 'Strongly Agree'.

Five of 13 respondents had no experience on the issue and could not tell whether the organization encourages their employees to collect resources from customer interactions. Consequently, two employees of the all respondents had not felt encouragement from the organization or management in past. In addition, one employee felt strongly that organization does not encourage to resource collecting in customer interactions. The employees that disagreed with the statement may have had experiences of discouraging by the organization. All in all, the organizational culture on how the firm values customer interaction varies greatly within the organization and employees. The management of FinnMedi does not communicate similarly about value of customer interactions to the company.

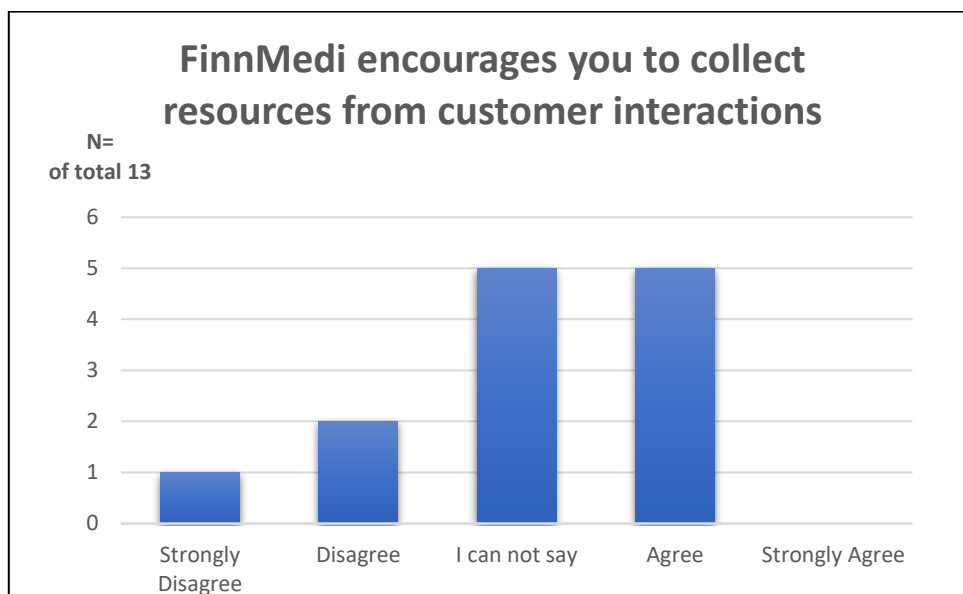


Figure 10 Value creation through customer interactive service process at FinnMedi: FinnMedi management's effort to encourage employees to collect and acquire new resources from customer interactions.

4.8 Exploiting resources as a tool to recover and increase value creation

The Survey aimed at studying the value creation process through customer interactions. How FinnMedi utilizes customer resources and customer interactions as a tool to create value depends primarily on how the firm values customer interactions and customers. Customer interactions can render new resources or increase value to a Supplier other than monetarily too, as the Survey has defined it earlier. When a supplier utilizes customer interactions as a path to increase value or resources, the firm should acknowledge the process with all its parts and possibilities. Customer interactions may not always be successful nor customers extremely happy with a service outcome. Nevertheless, the supplier should recognize any chances to recover and restore value, despite of success of the process.

Services that end up with e.g. failed service outcome or weakened customer relationships can be considered as service failures. Any part of the service process that creates hindrances or obstacles for the process flow, or poorly handled situations that end up with weakened value for the firm, are service failures. Supplier can either make effort to recover value or be left with weakened customer relationship. Service failures and measures to recover value can render additional resources or increase value for both supplier and customer in other ways.

Employees of service sector at FinnMedi were asked to evaluate based on their experiences whether service failures have rendered new resources that are useful for any future operations at FinnMedi. The purpose of the question was to study the company's perception on service failures in

terms of service development. Failures and dissatisfied customers can offer valuable information that a firm can utilize and learn from.

The results from the question did not indicate that service failures had significantly improved the resource capacity of FinnMedi. Five of 13 respondents disagreed with the statement as shown in Figure 11. They felt that service failures had not directly provided new resources to the company that could potentially improve FinnMedi operations in the future. Another five respondents had no experience nor information about the topic. Only three respondents replied that service failures had rendered new resources for future operations. The lack of positive responses may indicate to not recognizing the value of information and other resources from failed situations and operations. The employees do not seem to be aware of the value of such data or that such resources could be valuable to development of the company.

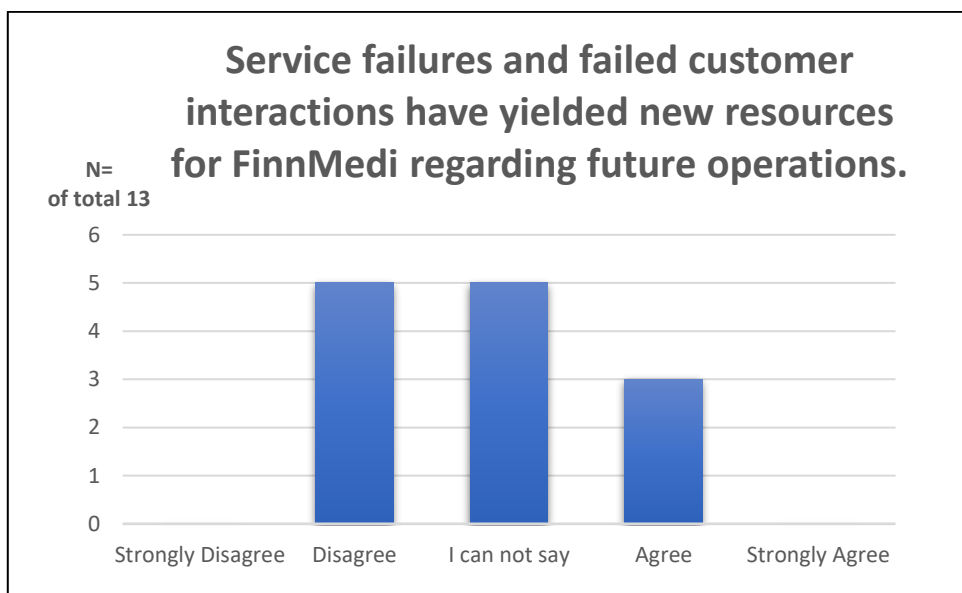


Figure 11 Value creation through customer interactive service process at FinnMedi: Resources gained through service or customer interaction failures.

Customer interaction failures can easily decrease the value creation for the supplier if the value and customer satisfaction is not recovered according to the situation. However, when the recovery measures are made according to the demand of the situation, the process can render even higher value than originally expected.

Value increase through recovery measures from service failures was measured in the survey as demonstrated in the Figure 12. Most of the respondents accounting seven of 13 employees did not have experience from such situations or did not have information about any influences on the company from recovery measures. The value of service recoveries is not clear among the employees of FinnMedi. Most of the employees do not seem aware of the value from recovered service processes.

Four respondents replied that the firm value had increased significantly from the recovery measures they had made in the past. Two respondents had had some positive experience from the recovery measures on the company value. The importance of recovery measures is not communicated clearly within the organization nor is the value of customer interactions for the development of the company. Recovery measures could work as tool to fill in the information gaps or lack of resources in the organization, which is why the importance of the measures for the value of the company should be more strongly communicated within the employees.

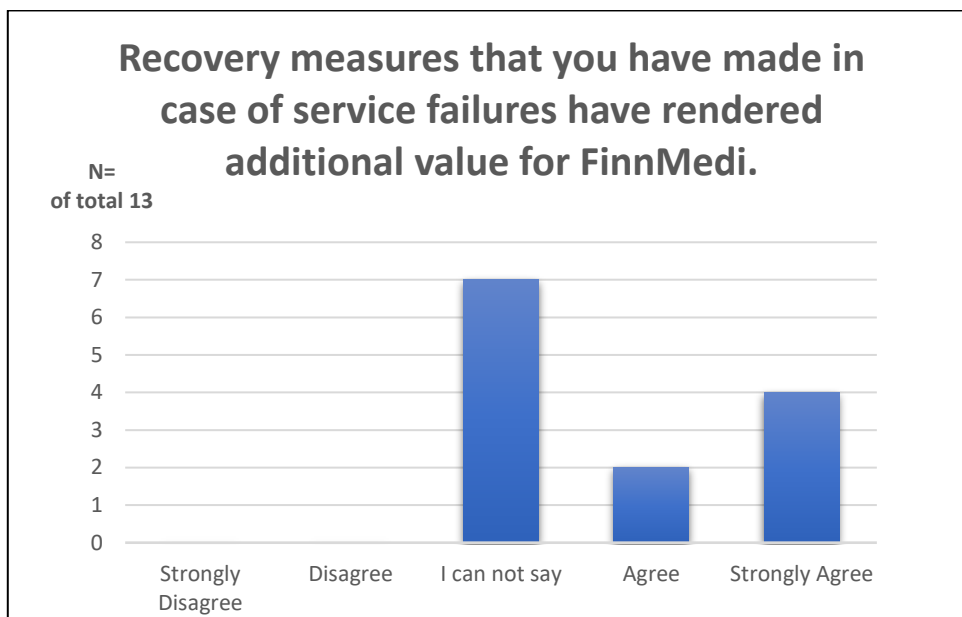


Figure 12 Value creation through customer interactive service process at FinnMedi: Resources gained through value recovery measures.

Customer feedback from service processes can influence on the supplier's operational and service quality when handled according to the needs of both supplier and the markets. Firm can gain valuable resources e.g. knowledge, skills and relationships from customer feedback. The Survey aimed at measuring how FinnMedi values customer feedback from service processes in terms of the firm's service offering development.

As shown in Figure 13, the results from the question were normally distributed with highest response rate on the option 'Agree'. The results show that customer feedback is regarded as valuable among most of the employees and within the organization. According to six employees of 13 respondents, the service offering of FinnMedi has been on some level influenced by customer feedback, whereas three of 13 respondents felt that customer feedback has had strong influence on the service offering.

However, the passing of information is somewhat defective within the organization, which can be derived from the relatively big number of responses on the option 'I can not say'. The respondents were not aware

of the subject, which indicates to a lack of communication within the organization. One response was also given to option 'Disagree', which also points to disorganized communication.

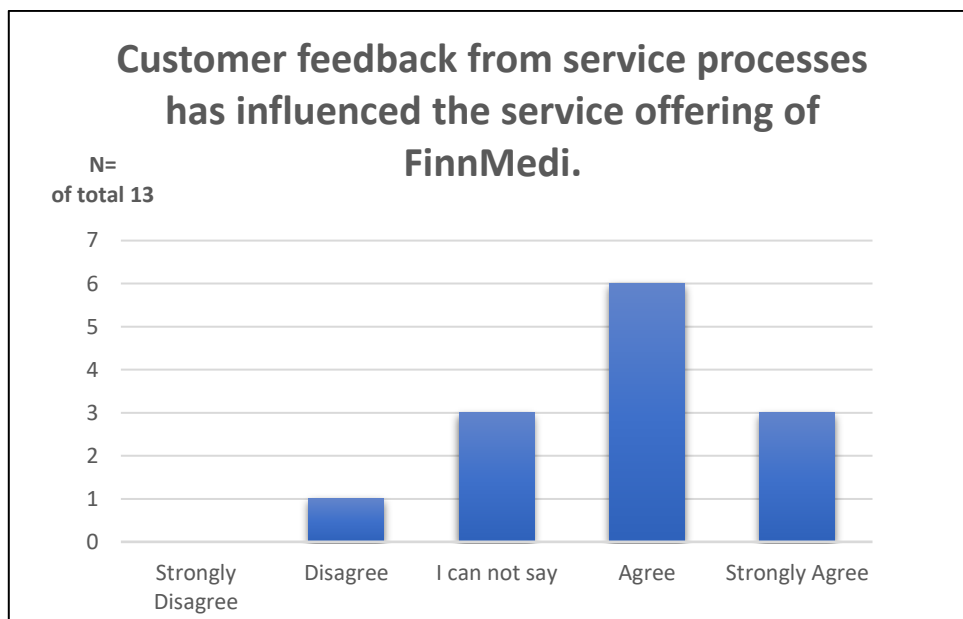


Figure 13 Value creation through customer interactive service process at FinnMedi: Employees' perception on the influence of customer feedback on service offering.

The last part of the Survey was to measure what is the employees' perception of implementing resource collecting and recording as part of FinnMedi's operational culture. The respondents were asked to evaluate based on their opinions and experiences whether it would be profitable or useful to collect and record resources that are gained from customer interaction processes.

The results demonstrated in Figure 14 show that most of the respondents consider that collecting and recording customer resources is either useful and/or profitable for the service development of FinnMedi. Options 'Agree' and 'Strongly agree' were each chosen by four respondents. The option 'I can not say' was likely chosen by four of 13 respondents. One response was given to option Disagree. As figure 13 and 14 demonstrate most of the respondents would encourage collecting new resources in terms of developing the company. The positive responses (Agree & Strongly Agree) were given with the same distribution 8/13 in both figures 13 and 14.

The distribution in Figure 14 follows mostly the same distribution as the results in Figure 5 and Figure 6, that demonstrate how the employees value customer resources in terms of development of FinnMedi's service offering and their own competences. The distribution of positive responses (Agree, Strongly Agree) and neutral (I can not say) and negative (Strongly disagree, Disagree) responses in these three Figures is mostly the same.

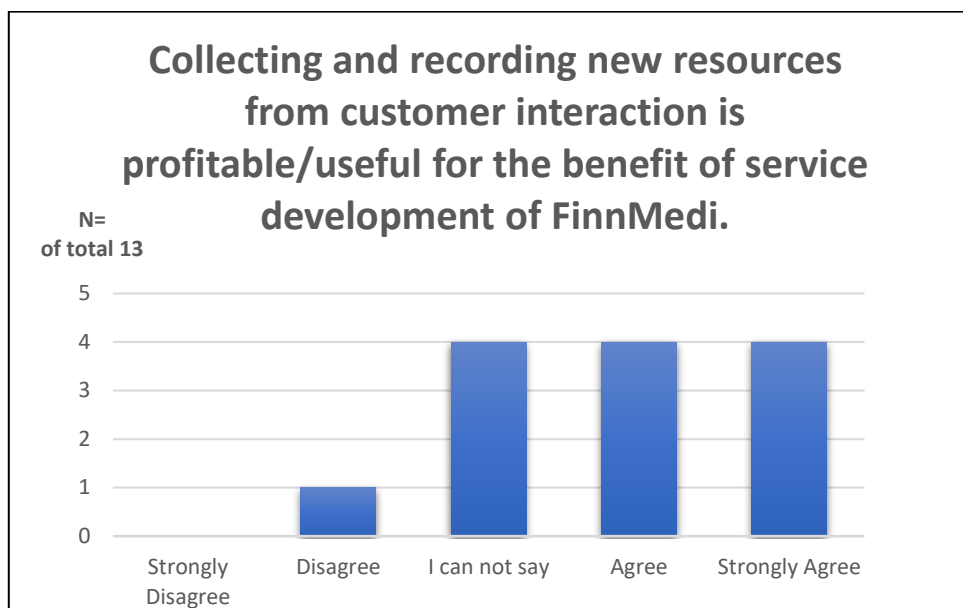


Figure 14 Value creation through customer interactive service process at FinnMedi: Employees' perception on the profitability of collecting and recording new resources.

4.9 Customer interactive methods developing services and resources capacity at FinnMedi

As defined earlier, one of the key operative methods at FinnMedi, is providing customized services to each client. The employees of the service sector at FinnMedi were requested to provide information about customer interactive methods that have influenced the services or the quality of service offering in the past. The question was open ended and formulated as following: 'In what ways customer interactions have influenced services at FinnMedi in the past?'. The request was sent to service sector employees internally by one of the employees based on a dialog between the researcher and the employee of FinnMedi. The email and the responses were both in Finnish and therefore translated to English in this study. In the email, the sender had also explained the purpose of the singular question, and the value of responding to the commissioning company as a motivation for the respondents.

The email question was replied by five employees. Even though the respondent rate was relatively low, the data from the responses was valuable to survey because of the depth and scope each respondent had put into their responses. The respondents divided their responses based on the service process stages and flow at FinnMedi.

The purpose of the question was to discover how FinnMedi exploits customer interactions and consequently the impact customers have on service development. The responses that were found most valuable to the Survey were for example the following:

- “In the service enquiry stage, the customer needs are specified, and adjusted to the service concept.”
- “During the service production customers provide information and resources that influence the service.”
- “Discoveries about the customer’s operative methods have provided input to the service and developed indirectly the resources of employees at FinnMedi.”
- “Active feedback collecting in each stage of the service production and delivery.”
- “Interactive feedback and mentoring sessions with a client after the service production.”
- When service production is handled at FinnMedi’s premises
 - “Service client representative provides resources to the service process by working as a part of the service production team”
 - “Client is promised with a chance to participate in interviews and meetings of potential customers regarding the service production”
 - “Client is involved in the making of presentation materials for potential customers”
 - “Client and FinnMedi create interview questions together for potential customers’ ”
- When service production is handled at service client’s premises
 - “Representative of FinnMedi works as a part of the service production team of the client”
 - “Client is primarily responsible for the production of the service”
- FinnMedi arranges workshops for their clients
 - “Observing clients has provided useful material for the future workshops regarding e.g.: material quantity and quality, working methods, scheduling of the service (workshop)”
- “Customer requests for a service that is not part of the service offering of FinnMedi, which may lead to creating a new service concept based on client’s request/idea.”
- “FinnMedi and its clients cocreate new service organization”

The data provided by the FinnMedi employees offered a wide insight of customer interactive methods and events that have influenced services or resources of FinnMedi. The results from the email questionnaire show that FinnMedi has been able to implement customer resources into the service processes and development of the company. Customers’ operative and working methods seem to be more valued than resources that could be directly transferred such as knowledge and values. All in all, based on the responses it is clear that customer interactions have rendered additional or completely new resources to FinnMedi.

4.10 What the survey revealed about customer interactions at FinnMedi?

4.10.1 Motivation and readiness for beneficial customer interactions

The employees at FinnMedi appear as motivated for accomplishing mutually beneficial goals in customer interactions. The Survey revealed that the employees enjoy customer interactions which increases their ability to view customer interactions and customers' input and insight to interactions positively. When the employees are motivated to interact with customers they are more likely to reflect positively on the co-creative value creation. FinnMedi has great potential for creating value through customer interactions. As the survey demonstrated the employees at FinnMedi interact with customer most frequently, which enables an active exploitation of customer interactions as continuous method in developing the quality of services and other related operations at FinnMedi. The company has potential to augment the resource quality and capacity of the firm on a regular basis.

4.10.2 The role of customer interactions in service processes at FinnMedi

There are not many limitations to initiating a service process at FinnMedi. The company puts great emphasis on the quality of business relationships, and focuses on building trust between client and FinnMedi employees on a personal level. However, the employees do not regard their own social and interactive skills as valuable to service operations as the existing business relationships. The contradictory may decrease the firm's ability to create value from customer interactions. Another appealing conflict to beneficial customer interactions that was seen from the survey, was that employees perceive customer's resources such as skills, knowledge and values widely differently.

The survey revealed that FinnMedi has been influenced by customer interactions in multiple ways in the past. Customer interactions have especially developed the firm's service offering through customer feedback. The employees had also recognized that customer interactions had revealed needs in the resources capacity of FinnMedi.

4.10.3 Recognition and exploitation of resources in service processes

Employees commented in the survey about different customer interactions that have rendered higher or additional value to FinnMedi. It is therefore clear that employees do recognize the value of customer interactions to the firm. The employees also acknowledge that customers have developed services and resources of FinnMedi and their own. However, the employees do not regard customer's resources such as skills and knowledge as valuable to FinnMedi as their operative methods. Some of the employees mentioned directly in the Survey that customers'

operative methods offer more value to the firm than resources they possess. The Survey also revealed that most of the employees –the respondents do not feel that the organization encourages the employees to collect customer resources from service processes.

Understanding and recognizing the potential for creating value from service failures is in somewhat poor level among the employees of the firm. The employees do feel that they have learned from their mistakes and gained valuable resources from service failures for the future operations. The value and potential of recovering from service failures seems unclear to the employees. Most of them could not respond whether the recovery efforts they have made have created any additional value to the firm or not.

5 RECOMMENDATIONS

As the survey for FinnMedi service sector employees revealed, there is overall a good state of customer interactive organizational culture and paradigm within the company. However, the responses for the Survey revealed a few contradictions among the employees and in terms of successful customer interactive service processes. Recommendations for the commissioning company were made based on the Survey and theory that is explained more in-depth earlier in the research.

5.1 Service-dominant logic and organizational paradigm

Employees at service sector seem motivated to accomplish mutually beneficial goals, which is demonstrated by the employees' willingness to interact with customers and collect resources from them. The employees support collecting and recording of customer's resources as well. However, they do not feel the management encourages them to do so. In order for FinnMedi to implement service-dominant logic the management should communicate the value of collecting resources from customer interactions to employees more apparently by following the following recommendations:

- The management should also encourage the organization to view customers as one of primary sources of resources for the firm's value creation to enable the complete advantages from customer interactions. (Lusch & Vargo, n.d.)
- The management should modify their strategies in a way that exploiting co-creation of value with customers becomes a prevailing paradigm in service processes (Premise 8, Hunt & Morgan, n.d.)

5.2 The role of employees' resources at FinnMedi

The survey indicated that employees feel that their own skills and knowledge are highly valued within the organization and considered to be of positive value to service processes as well. What was of conflict to the results, was that despite valuing the skills and knowledge in general, the employees did not feel that their interactive and social skills were as valuable to service processes. Another contradiction to this was that the employees did not regard the employee's interactive and social skills as valuable to service as quality of customer relationships. Based on these findings the organizations should implement the following strategy to their operational policy:

- The management should encourage their employees to both regard each customer as unique in terms of customer's resources (Premises 5 & 7, Hunt & Morgan, n.d.) and needs for the service, as well as, motivate them to pay attention to their interactive and social skills in order to understand each customer to their best ability and therefore acquire the highest possible co-creative value from service processes. (Bruhn & Georgi, n.d.)
- The management should consider participating in the service processes as regular check-ups to understand their customers and the value of customer interactions better.

5.3 The role of customer's resources at FinnMedi

FinnMedi's employees interact with customers on regular basis. Therefore, they have continual access to customer's resources. They also recognize the value of customer resources to their own competences. The Survey also showed that customers work sometimes as innovators for FinnMedi. The employees explained in the survey that customers have influenced the company through workshops in past. It was also revealed that customers' feedback from such workshops has influenced the development of those workshops.

In order to emphasize the value of customer's resources FinnMedi should continue collecting feedback from service processes. The management should emphasize the role of customers resources as valuable from other service processes too. Since the workshops have been successful to FinnMedi in terms of development of the service, the firm should consider mapping customer's resources through the workshops as a focal part of the firm's strategy in resource and service development.

- Implement a mapping system as a tool recognize needs in the resource capacity of FinnMedi and advice the employees to use the mapping and documentation for recognizing the potential resources that customers provide in service processes.

- Encourage the employees to view customer interactions as a tool to recognize needs and gaps in their own competences and interests for customer's operative methods.

5.4 Customer interactive methods at FinnMedi

The Survey revealed that customers are well-integrated in service processes of FinnMedi. Customers are involved in almost every stage of the service production. The employees recognize that customer interactions are valuable to the company but not have enough information about the influence of customer's role in the process on FinnMedi. For example, there were relatively many employees had no information about whether customer's resources such as skills and knowledge had influenced the service offering of FinnMedi. The Survey results demonstrated that customers do indeed have an impact on various levels on the company. However, there seems to be mixed information and confusion about the subject among the employees. In order to maintain the highest possible level of value-creation, the management and employees should consider the following:

- Keep the employees fully informed about the complete influence (both positive and negative value) the customer interactive processes have on FinnMedi in order to develop their interactive skills and recognizing the full potential from each customer interaction case.
- Arrange a post-service or post-feedback session with the service process employee responsible to communicate about the value that was acquired from the service process.

In addition, the service processes could have substantially increased value creation if the integration of customers resources to service production were more apparent. Therefore, FinnMedi should consider implementing the following method as a part of their customer interactive processes:

- Communicate with customers in the service planning stage about the resources they are able to offer for the service process. Make sure the client understands that their resources are valuable to the service and that exchange of resources and transparency between FinnMedi and the client increases greatly the value creation for the customer.

5.5 Potential for benefiting from customer interactions

Employees generally value customer resources and interactions as valuable to FinnMedi. However, as demonstrated in the earlier sections, there were some contradictions between the employees' perceptions about customer interactions. Understanding customers better enables

the supplier to allocate the right set of resources to customer interactions, implement customer needs and resources into their own marketing and customer-relationship strategy as well as acquire substantially higher competitive advantage (Hunt & Morgan, n.d.). Employees did not generally recognize the value from service failures and recovery measures they had made for the company. The organization should evaluate the following recommendations in terms of increasing the firm's value creation from customer interactions:

- Consider participating in customer's internal process and other production processes to gain a better understanding about each client and additionally acquire valuable resources for FinnMedi, which can be of value in future. This form of interaction could be done as a constant part of service processes, especially when services are handled at customer's premises.
- The management and employees of FinnMedi should communicate with each other more in-depth about service failures and the value of recovery measures.
- The management should consider training the organization for handling service failures. The employees should be trained about the measures and interactive skills they should have in order to recover or even increase value creation from failed interactions and service processes. Observing the client carefully and documenting every stage of service process could deepen the employees' understanding the value of interactive skills and customer's input to the process. (Bruhn & Georgi et al. n.d)

6 CONCLUSION

Succeeding in highly competitive markets today is dependent on how a business understands and exploits them. Doing business is no longer about having the best expertise inside the company or delivering the highest quality products. Companies are now more and more relying on service and customer-centred view in their operations –creating transparency. FinnMedi Ltd. is one of those players in health care and technology sector, operating as a business developer and facilitator of expert services within the field. The company is known for their ability to provide customized services for their clients, and create innovation by cooperating with them. In order to create the highest possible value from customer interactive service processes, the company should be able to exploit services as an exchange of resources with their clients. By gaining new or advance their existing resources companies are able to provide higher value to their clients and their own operations in the future. The research project aimed at discovering how FinnMedi exploits customer interactive service processes and whether such processes have rendered the firm value creating tools.

The survey for this research was directed at the employees at FinnMedi that are working at the service sectors –the employees that are able to provide in-depth knowledge about the subject. It was first important to find out whether there is an organizational paradigm that recognizes customer interactions as a tool to create value to FinnMedi. Secondly the results were to provide information about how the company utilises customer interactions and customer's resources to develop their own operations.

The results from the Survey revealed that the employees at FinnMedi do recognize customer interactions and customer's resources as tools to create value to the firm. Another positive factor from the results was that customer interactions have provably influenced positively on the development of the company. The employees presented various methods that they have used and experienced from interacting with customers in their service processes.

However, it is clear that there are contradictions among the employees in understanding the value of customer resources to the company. It was also noted that employees do not feel similarly about the organizational paradigm about customer interactions and resources. Relatively many of the employees were not able to tell whether the management and organization support and encourage them to obtain new resources for the firm from customer interactions.

When comparing the results from the Survey to theory about Service-dominant logic by Lusch and Vargo, it appeared that there are some improvements to be made within the organization. In order to gain the best possible benefits from their service processes, FinnMedi should focus on creating a unanimous paradigm within the organization. The management should communicate more in-depth about the value of customer interactions and how to exploit both successes and failures from those to their employees.

The employees of FinnMedi seem motivated to collect resources from customers and exploit customer interactions even further. The employees seem to recognize the value of resources and evaluate the potential of benefiting from interactive service processes. When relating the Survey results to Resource Advantage theory premises by Hunt and Morgan, it is noticeable that there is no big or extreme contrast between them. FinnMedi's operative methods meet most of the requirements from the resource premises. Most of the recommendations for FinnMedi are based on the Premise 8 'The role of management is to recognize, understand, create, select, implement, and modify strategies.' When it comes to FinnMedi's case, the study indicates that the management should emphasize the value of resources and customer interactions, in order for the organization to become coherent. The more unanimous the

organization becomes the more value they are able to create towards the common goals of the company.

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Appendixes

The Finnish survey sent to the service employees at FinnMedi

Tutkimuskysely

Kiitos osallistumisestasi tähän tutkimuskyselyyn!

Tämä tutkimus kerää tietoa FinnMedin valmiuksista ja mahdollisuuksista asiakas-arvon lisäämiseen.

Seuraavissa kysymyksissä sinulta tullaan kysymään kokemuksistasi sekä omista ajatuksistasi koskien asiakaskohtauksia sekä yhteistyötilanteita asiakkaiden kanssa.

Kaikkia antamiasi tietoja käsitellään luottamuksellisesti.

Vastaaminen kestää noin 5-10 minuuttia.

Tässä tutkimuskyselyssä selvitetään, kuinka FinnMedi käsittelee asiakkaan resursseja. Tämän lisäksi tutkimus kerää tietoa mikäli asiakkaan välittämät resurssit vaikuttavat FinnMedin toimintaan.

Resursseilla viitataan mihin tahansa voimavaroihin ja neuvoihin kuten esimerkiksi: taidot, tieto, arvot ja näkemykset, ja suhteet, taloudellisten resurssien lisäksi.

*Pakollinen

Kuinka kauan olet työskennellyt FinnMedillä? *

Vuotta

Oma vastauksesi

Kuinka usein olet tekemisissä/teet yhteistyötä asiakkaiden kanssa? *

1. En koskaan 2. Harvoin 3. Silloin tällöin 4. Melko usein 5. Päivittäin

| | | | | |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| 1 | 2 | 3 | 4 | 5 |
| <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

Yhteistyö asiakkaiden kanssa on miellyttävää. *

1. Ehdottomasti erimieltä 2. Jokseenkin erimieltä 3. En osaa sanoa 4. Samaa mieltä 5. Ehdottomasti samaa mieltä

| | | | | |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| 1 | 2 | 3 | 4 | 5 |
| <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

Kuinka palvelu-sopimus -prosessi aloitetaan? *

Asiakkaiden yhteydenotosta sopimuksen tekoon.

Oma vastauksesi

Mitkä tekijät vaikuttavat asiakas-suhteen luomiseen/ asiakkaan valintaan palvelun tuottamisessa? *

esim. toimi-ala, FinnMedin resurssit, suhde asiakkaaseen

Oma vastauksesi

FinnMedi pitää asiakkaan resursseja arvokkaina FinnMedin omien resurssien kasvattamisen kannalta. *

1. Ehdottomasti erimieltä 2. Jokseenkin erimieltä 3. En osaa sanoa 4. Samaa mieltä 5. Ehdottomasti samaa mieltä

| | | | | |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| 1 | 2 | 3 | 4 | 5 |
| <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

Asiakkaiden välittämällä tiedoilla ja taidoilla on vaikutus FinnMedin palvelu-tarjontaan. *

1. Ehdottomasti erimieltä 2. Jokseenkin erimieltä 3. En osaa sanoa 4. Samaa mieltä 5. Ehdottomasti samaa mieltä

| | | | | |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| 1 | 2 | 3 | 4 | 5 |
| <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

Asiakkaiden välittämällä tiedoilla ja taidoilla on vaikutus omaan osaamiseesi. *

1. Ehdottomasti erimieltä 2. Jokseenkin erimieltä 3. En osaa sanoa 4. Samaa mieltä 5. Ehdottomasti samaa mieltä

| | | | | |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| 1 | 2 | 3 | 4 | 5 |
| <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

Mitkä tekijät vaikuttavat vastuu-/toimihenkilöiden valintaan asiakas-/palvelu-prosessiin? *

- Työntekijän ennakkotiedot ja -taidot
- Työntekijän vuorovaikutustaidot
- Työntekijän suhde asiakkaaseen
- Työntekijän suhteet ulkoisiin asiantuntijoihin
- Työntekijän oma toive/aloite palvelun tuottamiseen osallistumisesta

Osallistuvatko asiakkaat itse aktiivisesti palvelun suunnitteluun ja kustomointiin? *

1. Ei koskaan 2. Harvoin 3. Silloin tällöin 4. Melko usein 5. Aina

| | | | | |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| 1 | 2 | 3 | 4 | 5 |
| <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

Oletko hankkinut hyödyllisiä resursseja ulkopuolisilta asiantuntijoilta parantaaksesi asiakassuhdetta tai palvelun laatua? *

- Kyllä
- En

FinnMedi kannustaa hankkimaan uusia resursseja asiakkailta ja asiakaskohtaamisista. *

1. Ehdottomasti erimieltä 2. Jokseenkin erimieltä 3. En osaa sanoa 4. Samaa mieltä 5. Ehdottomasti samaa mieltä

| | | | | |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| 1 | 2 | 3 | 4 | 5 |
| <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

Epäonnistuneet palvelutilanteet ja asiakaskohtaukset ovat tuottaneet uusia resursseja ja toimintakeinoja FinnMedille tulevaisuuden varalle. *

1. Ehdottomasti erimieltä 2. Jokseenkin erimieltä 3. En osaa sanoa 4. Samaa mieltä 5. Ehdottomasti samaa mieltä

| | | | | |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| 1 | 2 | 3 | 4 | 5 |
| <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

Virheiden korjaaminen ja asiakastyytyvyyden palauttaminen epäonnistuneissa palveluprosesseissa, jotka olet itse hoitanut, ovat tuoneet lisäarvoa FinnMedille. *

1. Ehdottomasti erimieltä 2. Jokseenkin erimieltä 3. En osaa sanoa 4. Samaa mieltä 5. Ehdottomasti samaa mieltä

| | | | | |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| 1 | 2 | 3 | 4 | 5 |
| <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

Asiakaspalaute yhteistyö- ja palvelu-kokemuksista on vaikuttanut FinnMedin tuotteistoon. *

1. Ehdottomasti erimieltä 2. Jokseenkin erimieltä 3. En osaa sanoa 4. Samaa mieltä 5. Ehdottomasti samaa mieltä

| | | | | |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| 1 | 2 | 3 | 4 | 5 |
| <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

Asiakkaiden välittämien uusien taitojen ja tietojen kerääminen ja taltiointi on hyödyllistä FinnMedin palvelun laadun kehityksen kannalta. *

1. Ehdottomasti erimieltä 2. Jokseenkin erimieltä 3. En osaa sanoa 4. Samaa mieltä 5. Ehdottomasti samaa mieltä

| | | | | |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| 1 | 2 | 3 | 4 | 5 |
| <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

The English version of the survey

Survey Questionnaire

Thank you for taking part in this survey measuring FinnMedi's potential for creating higher customer value in the future operations. In the following questionnaire, you will be asked about your thoughts and experiences on service processes and customer interactive processes at FinnMedi. Be assured that your answers will be handled with strict confidentiality. This survey should take approximately 5 minutes. Your effort is highly valued!

This questionnaire aims to examine how FinnMedi perceives customer's resources for the benefit of their own development and whether they have had experiences of acquiring resources from customers for the benefit of the company.

The word 'resources' indicates to any assets and methods besides monetary resources. The resources can be anything you have gained from a customer such as skills, knowledge, relationships, values, and views

*Pakollinen

How long have you worked at FinnMedi? *

Years

How often do you interact with customers? *

1. Never 2. Rarely 3. Occasionally 4. Quite often 5. Frequently

1 2 3 4 5

Never Frequently

Co-operating with customers is pleasant. *

1 2 3 4 5

Strongly Disagree Strongly Agree

How is the service process initiated? *

The process from service inquiry to a service agreement

What are the factors for selecting a client for service process? *

i.e. relationship, operational field, FinnMedi's or client's resources..

FinnMedi values customer resources as source of value for FinnMedi? *

1 2 3 4 5

Strongly Disagree Strongly Agree

Resources gained from customers are valuable to FinnMedi's service offering. *

Resources of any kind i.e. skills, knowledge, relationships etc.

1 2 3 4 5

Strongly Disagree Strongly Agree

Resources gained from customers are valuable to your own competences. *

Resources of any kind i.e. skills, knowledge, relationships etc.

1 2 3 4 5

Strongly Disagree Strongly Agree

What affects choosing the personnel for a service process in terms of the competences of personnel? *

- Skills in relation to customer's needs
- Responsiveness to customer' needs
- Relationship with the client
- Relationships with external resources
- Employee's own initiative or wish for producing a service

Do customers actively participate in the service planning stage? *

1. Never 2. Rarely 3. Occasionally 4. Quite often 5. Always

1 2 3 4 5

Never Always

Have you gained valuable resources (skills, relationships, knowledge) by consulting with an external source in order to contribute to a service process? *

- Yes
- No

FinnMedi encourages you to collect resources from customer interactions? *

1 2 3 4 5

Strongly Disagree Strongly Agree

The survey question sent by the internal email application within the organization based on the dialog between the author and the commissioning company

Asiakkaan osallistaminen tuote(palvelu)kehitykseen

Sonja on siis tekemässä lopputyötään otsikon mukaisesta aiheesta. Oivalsin tuossa, että tämän analyysin tekeminen olisi itse asiassa meillekin hyvin hyödyllinen pohiessamme FM:n tuoterepertuaaria ja sen viestintää asiakaskentälle päin.

Lähtökohta siis se, että palvelut (=FM tuotteiden toimitukset) eivät ole etukäteen jäykästi määriteltyjä. Vaikka lähtökohtana voidaan käyttääkin olemassa olevaa pohjaa (prosessia, toimintatapaa ja/tai dokumentteja), yleensä ne muotoutuvat tapauskohtaisesti. Tästäkin voidaan erotella useita erilaisia vaikutusmekanismeja:

Mekanismeja, joiden kautta palvelu muokkaantuu

1. Tarjouksen tekovaiheessa asiakkaalta saadaan sen tarpeesta tarkentavia tietoja, joiden perusteella tarjous räätälöidään olemassa olevaan pohjaan perustuen
2. Tehdään palvelusta, ehdotus/alustava tarjous, jota mahd. muutetaan asiakkaan kommenttien perusteella
3. Tilatun palvelun aloituspalaverissa tulee esille tarkennuksia
4. Tilatun palvelun alkuvaiheessa järjestetään asiakkaan "lähtötason kartoitus", jonka perusteella palvelun sisältöä tarkennetaan
5. Työn (esim asiakastarveselvityksen) edetessä tulee esille uusia asioita, jotka vaikuttavat palvelun jäljellä olevaan osaan
6. Kesken palvelusuoritusta pidetyssä välipalaverissa tulee sille asioita, jotka vaikuttavat palvelun jäljellä olevaan osaan
7. Tehdään koko palvelusuorite yhdessä asiakkaan kanssa siten, että asiakkaan edustaja on mukana FM:n tiimissä tiimiä (työskentelyn vetovastuu FM:llä) ja vaikuttaa siten toteutukseen
8. Tehdään suorite siten, että FM:n edustaja työskentelee osana asiakkaan tiimiä (työskentelyn vetovastuu asiakkaalla)
9. Asiakas pyytää tarjousta palvelusta, jota FM:llä ei ennen ole tehnyt → harkitaan, luodaanko uusi palvelu (=tuotekehitystä)
10. Palvelun valmistuttua pyydetään asiakkaalta palautetta

Ja kaikki em. yksittäisen palvelusuorituksen yhteydessä tulleet uudet ahaa-elämykset taas voivat vaikuttaa yleiseen prosessipohjaan ja/tai dokumenttipohjiin...

Meidän pitäisi löytää em. vaikutusmekanismeihin kuhubnkin pari esimerkkitapausta, joista pitäisi kirjoittaa lyhyet case-kuvaukset (asiakkaiden nimiä tai mitään liikesalaisuuksia ei mainita). Mukaan lainauksia asiakkaan lausumista kommentteista (mailissa tulleita tai keskustelussa mainittuja).

Myös em. 10 vaikutusmekanismin luetteloa voi täydentää...

Pyytäisin teitä osaltanne kirjaamaan em mekanismiotsikoiden alle esimerkki-case-kuvauksia (niien ei tarvi olla pitkiä; muutama rivi per case.