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What Value do Consumers Really Expect of Product Service Systems?

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While product Service Systems (PSS) are thought to offer significant environmental, social and economic benefits, their ability to create sufficient value in consumer markets has been problematic. In this contribution we begin to address this concern. We propose a new analytical framework for research on PSS and consumers which is rooted in practice theory and questions the role of professional designers in value creation.

Within PSS literature value is mainly conceptualised from a positivistic perspective and emphasises the value of functionality (Minguez et al., 2012). However, such conceptions of value are limited and tend to shade off how value may be co-created by consumers (Bertoni et al., 2013); the impacts of the transfer from ownership to usership associated with PSS on the symbolic meanings of consumption (Scholl, 2008); how consumers might fit PSS in their everyday life and integrate them in their practices (Heiskanen et al., 2005). With respect to the latter, Mylan (2014) suggests using Practice Theory (PT) to explore how consumer practices might be transformed and accommodate PSS. Building upon this perspective, we propose a constructivist framework which couples PT with an idiographic approach - Consumer Culture Theory (CCT), which enables researchers to explore consumers perspectives. Our work suggests there is a need to better understand how values shape consumers' perception of PSS. For example, materialism, a value which puts possessions at the centre of a person's life (Belk, 1985) would make consumers' relationship with PSS problematic. Also and importantly, in contrast with most PSS literature, we suggest value is not only created by PSS designers. Rather it is cocreated with customers, and often created by consumers (Baron and Harris, 2008) through their practices in their own personal way, independently from suppliers, who may neither understand how consumers integrate resources, meanings and competences to create value (Pantzar and Shove, 2010) nor be allowed to perform the integration for them (Grönroos, 2008). This challenges the notion that PSS providers can integrate and create value for consumers by designing PSS value propositions. Our approach purports to go beyond the value proposition's functional value, and embraces hedonic (Babin and James, 2010), symbolic (Allen and Ng, 1999), and semiotic (Baudrillard, 1996; 1998) dimensions and the system of values that underpin them.