Proactive practices to prevent value co-destruction in knowledge-intensive business services

*A multiple-case study on knowledge-intensive businesses in the Swedish IT-industry*
Abstract

Interactions are of critical importance in business-to-business contexts, and value seems to be influenced by the interactions between the supplier, customer and other third parties where these interactions co-creates value. However, as the literature has mostly focused on the positive value co-creation, the interactions that result in failure is instead co-destroying value. This thesis is therefore going to study the negative interaction outcome, value co-destruction, in knowledge-intensive business services (KIBS) firms from a supplier perspective, where interactions are shown to be critical, to explore proactive practices that could be utilized in order to prevent value co-destruction between the customer and the KIBS firm as well as practices to recover from value co-destruction. Through a qualitative multiple-case study, the data was collected from KIBS representatives in the IT-industry in Sweden, that provided empirical data to further nuance the phenomenon. Customer education, unveiling business opportunities, customer surveys, and business events was discovered to be used for proactively preventing value co-destruction, where the authors also found the time aspect of the relationship between value co-creation and value co-destruction to be of importance in preventing miscommunications that result in value co-destruction. Therefore, the authors of this thesis argue that miscommunications and acknowledgment of the miscommunication that co-destroys value often occurs at different time points, where the proactive practices might be targeted towards preventing the miscommunication or targeted towards the recovery from the value co-destruction.

Keywords

Knowledge-intensive business services (KIBS), value co-creation, value co-destruction, interaction, resource integration, customer participation and miscommunication

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1 Introduction

The following chapter introduces the area of research starting with the background as well as a problem discussion surrounding it. Furthermore, it presents gaps in the research area as well as the purpose of this thesis.

1.1 Background
Creating value is imperative for a successful business venture in industrial markets (Lindgreen et al., 2012). The marketing concept concerns the discovery of the needs and wants of target customers and delivering satisfaction greater than competitors. In other words, organizations have to deliver greater value than competitors (Ponsonby & Boyle, 2004), where value becomes a key concept in marketing (Baumann, Le Meunier-FitzHugh & Wilson, 2017). The marketing literature had issues concerning how value emerges, i.e. value creation, while it called for research on the value creation from the customer perspective. Also, it has been viewed that the value creation derives from the investments of a supplier and the scarcity of products, i.e. demand (Ponsonby & Boyle, 2004), where the marketing literature has evolved into perceiving value in business-to-business contexts as created by interactions between customer and supplier (Grönroos, 2004; Vargo & Lusch, 2004; Ballantyne et al., 2011). Interactions are thus the foundation to which value is understood and created reciprocally with the customer, rendering the comprehension of the customers’ perceived value of critical importance and for the organization to align accordingly (Grönroos, 2004). Therefore, individuals present in the industrial markets are of great importance and have to constantly provide value for both customers, but also themselves as suppliers (Grönroos, 2004; Ponsonby & Boyle, 2004).

Separated from goods-based marketing, the service literature was early on perceived as important in developing a new marketing perspective due to that the consumption of goods is of importance in creating value in goods-based marketing, however, does not provide an interactive perspective when applied to the service perspective (Grönroos, 2006), where interactions are imperative in services (Lindgreen et al., 2012). Thus, expanding from goods-dominant logic, which created heavy discussions (Grönroos, 2006), Vargo and Lusch (2004) argued that services are an interactive process between parties, thus, introducing the new stream of research with a distinct focus on services, service-dominant (S-D) logic (Vargo & Lusch, 2004). According to the S-D logic, a service is defined as “[...] the application of competences [knowledge and skills] for the
benefit of another party” (Vargo & Lusch, 2008, p.256) and thus involves a process that requires collaboration with other parties in order for the service to be created, which is defined as value co-creation (Vargo & Lusch, 2008). According to Mustak (2017), the consensus of different marketing perspectives is that interactions influence the value outcome of the supplier and customer relationship. Vargo & Lusch (2011) further argue that the goods-dominant (G-D) logic marketing perspective, have focused on the output that firms produce and not the competencies and resources used to develop offerings, thus perceiving these offerings as services produced and instead of defining a service as an intangible product, a service could be perceived as assisting someone through processes, performances, tasks, and activities. However, in the marketing literature on value creation, a positivistic perspective is often perceived static, while ignoring the possible negative outcome of value co-creation (Echeverri & Skålén, 2011), which arguably could occur as interactions and resource integrations between actors could result in failure (Järvi, Kähkönen & Torvinen, 2018; Plé & Chumpitaz Cáceres, 2010).

1.2 Problem discussion
Value is one of the key concepts in marketing (Baumann, Le Meunier-FitzHugh & Wilson, 2017), and while practitioners in business-to-business seems to lack understanding of the concept (Marcos-Cuevas et al., 2016), the marketing literature has a unified perception that interactions seem to influence the value outcome of supplier and customer relationships (Mustak, 2017), thus, through interactions, value can be created (e.g. Kohtamäki & Rajala, 2016). Additionally, the Industrial Marketing and Purchasing (IMP) Group has proposed since the early 1980’s, that interactions paramount for business-to-business relationships (Håkansson & Gadde, 2018), as the IMP perspective emphasizes the importance of intensive interactions and collaborations, suggesting that this may result in value to be co-created between parties (Möller & Halinen, 2018). The interactive approach evolved in the late 1980’s, where it was suggested that no business is an island, thus, proposing that interactions and collaboration are not only occurring between the customer and the supplier but in a network, between multiple parties, evolving into a network aspect (Håkansson & Snehota, 2006). Thereafter, in the early 2000’s, service-dominant (S-D) logic was introduced, suggesting that both the customer, supplier, and other third parties are involved in the value-creating process, thus value is co-created (Ballantyne et al., 2011). This means that if value fails to be created, value is co-destroyed (Echeverri & Skålén, 2011), a concept that is scarcely researched (Zhang et al., 2018), especially in business-to-business contexts (Vafeas, Hughes & Hilton, 2016; Smith, 2013; Echeverri and
Skålén, 2011). However, an interest in the concept value co-destruction is starting to emerge (Järvi, Kähkönen & Torvinen, 2018), as taking an interactive perspective on value creation through S-D logic, enables value to be analyzed through a co-creative perspective (Vargo & Lusch, 2004), which is shown to be providing insights on collaborative value creation in knowledge-intensive contexts (Aarikka-Stenroos & Jaakkola, 2012). It is therefore appropriate for researchers to analyze collaborative value destruction in knowledge-intensive contexts from an S-D logic perspective where both the customer and supplier could destroy value (Echeverri & Skålén, 2011; Plé & Chumpitaz Cáceres, 2010), often as a result due to limited effort and/or when resources are scarce (Zhang et al., 2018).

Value co-destruction focuses on the interactions between supplier and customer (Echeverri & Skålén, 2011; Järvi, Kähkönen & Torvinen, 2018; Plé & Chumpitaz Cáceres, 2010) and interactions are the determinant of success in knowledge-intensive business services (KIBS) (Aarikka-Stenroos & Jaakkola, 2012), which are complex and customized services (Heikka & Nätti, 2018), arguably making value co-destruction in KIBS of relevance for research. KIBS firms are characterized by high individual knowledge, close collaboration with customers, and problem-solving capabilities (Aarikka-Stenroos & Jaakkola, 2012) which requires information sharing from both suppliers and customers (Santos & Spring, 2015) and arguably, KIBS firms are also of relevance in studying value creation from a co-creative, interactive perspective as seen in previous literature (e.g. Santos & Spring, 2015; Heikka & Nätti, 2018; Mustak, 2017). Also, many industries increase their specialization and knowledge intensiveness (Aarikka-Stenroos & Jaakkola, 2012) making KIBS of further relevance. Furthermore, research on value co-creation does not seem to consider the possible negative outcome (Echeverri & Skålén, 2011), while value co-destruction does not seem to shed light on the possible outcome of value recovery, however, a service system could recover from value co-destruction (Vafeas, Hughes & Hilton, 2016), and start to co-create value by providing recovery service interactions with satisfactory resolutions (Zhang et al., 2018). Therefore, Vafeas, Hughes, and Hilton (2016, p.470) argue that the term destruction is “[...] inadequate as an all-encompassing term because it implies irreparable loss”, where the term value diminution emerges, which implies that an improvement in the well-being of the system is possible. It has also been shown that preventative actions and customer education, as well as problem-management actions, contribute to more effective KIBS by increasing customer participation (Santos &
Spring, 2015), which creates interest for preventative actions made by individuals from a value co-destruction perspective.

Another stream of research, service failure, concerns how to increase customer satisfaction once the service has failed, and propose actions taken to respond to that failure, as a service recovery (Hazée, Van Vaerenbergh & Armirotto, 2017). Nevertheless, it is important to emphasize the difference between service failure and value co-destruction, as the strategic nature of service failure emphasises the actions taken by the supplier due to failed supplier processes, where value destruction is unilateral (Järvi, Kähkönen & Torvinen, 2018) and not emphasize the interactions between actors which have been shown to be of great importance in business-to-business contexts (Aarikka-Stenroos & Jaakkola, 2012; Echeverri & Salomonson, 2017), where the customer plays a central role (Chan, Yim & Lam, 2010). Service failures in business-to-business are often related to core outcomes, such as incomplete or late deliveries (Zhu & Zolkiewski, 2015), whereas, in knowledge-intensive businesses, the deficiency or misuse of resources seem to destroy value for customers (Vafeas, Hughes & Hilton, 2016). The literature on service failure propose recovery practices such as compensations, apologizing, showing empathy and explaining the issue for the customer (Hazée, Van Vaerenbergh & Armirotto, 2017), which arguably does not solve the complexity of KIBS problems arising, even in a business-to-business context. Hübner, Wagner, and Kurpjuweit (2018) found that compensation and apologies were not effective in business-to-business service recoveries, where the most important service recovery attribute was the response speed to the service failure. Furthermore, service failures have the perspective of failures regarding the transfer of products to customers, request for product returns, replacements or refunds as well as chargebacks (Zhu & Zolkiewski, 2015), while in KIBS, especially regarding IT-systems, it is of great difficulty to return, or refund the complex services, as the service customization (Heikka & Nätti, 2018) and consultative nature (Castaldi, Faber & Kishna, 2013) provide an integration of resources, not a transfer of products. Therefore, service failure does not fully capture the interactive and multiple party perspective shown to be of importance in a business-to-business context that could be leveraged by taking the perspective of value co-destruction.

As aforementioned, value co-creation include interactions, not only by the supplier, but its customers, and other third parties (Ballantyne et al., 2011), where a dyadic, or a network perspective could arguably be preferred to fully capture the concept, however,
Marcos-Cuevas *et al.* (2016) have called for research on value co-destruction from the provider’s perspective, which is also acknowledged by Järvi, Käähkönen, and Torvinen (2018), thus, the thesis will take a supplier perspective on business-to-business value co-destruction, focusing on the interactions between the supplier and its customer. Arguably, for the S-D logic stream, recovery actions from value co-destruction made by the supplier, and also proactive prevention of interaction failure and resource integration failure are of interest for business-to-business managers (Vafeas *et al.*, 2016), but also for the business-to-business literature, as research on a comprehensive understanding of value co-destruction is called for (Zhang *et al*., 2018; Smith, 2013). Additionally, the thesis will present literature on value co-destruction but also on value co-creation where both concepts are two sides of the same coin since the concepts are jointly connected in the relationship between the supplier and the customer (Zhang *et al*., 2018). Therefore, the authors seek to explore proactive, interactive actions taken by sales representatives in the IT-industry, working closely with customers, through the lens of S-D logic.

1.3 Purpose
The aim of the thesis is to explore proactive practices made by representatives in knowledge-intensive businesses in the IT-industry in order to prevent and/or recover from value co-destruction and thus, the thesis will contribute to the marketing literature on business-to-business value co-destruction.

1.4 Delimitations
As aforementioned, KIBS firms require high knowledge and are present in the business-to-business sector (Miles, 2005; den Hertog, Gallouj & Segers, 2011), and thus, include several industries possible to study, however, the authors have chosen to study the software IT-industry in Sweden. Also, S-D logic suggests that value is co-created by suppliers, customers, and other third parties (Ballantyne *et al*., 2011), however, the suppliers’ network will not be considered as only the interactions between customer and supplier will be shed light on.

1.5 Outline of thesis
This thesis started with an overall introduction of the topic and will further present six chapters main chapters. The order of these main chapters and their content are as follows; the theoretical foundation for value co-creation and value co-destruction, the research question that the thesis seeks to answer, the qualitative method used for data
collection and the research design, presentation of the empirical findings, an analysis of the findings and finally a conclusion of the theory and empirical findings.
2 Literature Review

The following chapter goes in-depth into the literature in order to present the existing theories and concepts. It goes into KIBS, the importance of interactions and the connection to business-to-business marketing as well as the value co-creation and value co-destruction phenomenon.

2.1 Knowledge-intensive business services

KIBS firms are described by Zhou et al. (2017) to be a typical service firm. However, such firms tend to mainly provide and focus on companies present in manufacturing industries that are characterized to be intensive within technology solutions (Guerrieri & Meliciani, 2005). Moreover, the KIBS firm has to deliver the necessary resources required in order to provide a satisfying solution for the customer which are resources that are either based on technical knowledge or based on applicative knowledge (Scarso & Bolisani, 2012). To further understand KIBS, the authors define KIBS as;

“[…] a type of service that is strongly based on the expertise of the individuals working for the organization […] The services these firms provide are characteristically complex and customized; thus, intensive interaction with the customer is often required when delivering the service” (Heikka & Nätti, 2018, p.1153).

As close collaboration characterize KIBS firms (Aarikka-Stenroos & Jaakkola, 2012), the objective is to develop a service that adapts accordingly with the customers, ultimately resulting in knowledge to be transferred between the parties (Castaldi, Faber & Kishna, 2013; Fernandes & Ferreira, 2013). Transferring knowledge is according to Valminen and Toivonen (2012) accomplished through extensive collaboration, also adding that KIBS is characterized by its close interaction between the involved parties. These interactions and the close collaboration between the parties are highly intensive and are built on trust (Collins & Smith, 2006; Murphy 2006; Scarso & Bolisani, 2012; Growe, 2018).

Present literature has presented KIBS classifications, which could be divided into technology-based KIBS (T-KIBS) and traditional professional KIBS (P-KIBS). T-KIBS provide specific services within technology to their customers e.g. services regarding research and development (R&D) (Zhou et al., 2017) where the firms tend to provide its customers with packs of services that have already been pre-arranged by the supplier i.e.
not fully tailor-made. P-KIBS tends to provide a tailored made solution to a greater extent in comparison to T-KIBS (Consoli & Hortelano, 2010). P-KIBS firms tend to provide marketing and/or management services, with the users of them to be characterized as technology-intensive users (Zhou et al., 2017).

2.2 Value co-creation
Customers are of importance in developing services (Mustak, 2017), especially in KIBS firms as the customer’s willingness for collaboration is critical (Santos & Spring, 2015). An emerging change of perspective on business-to-business firms and industry services can be witnessed in the last decades, as software-as-a-service in IT industries (Vargo & Lusch, 2008) and servitization in manufacturing and supply chain industries are used to increase value for customers (Coreynen, Matthyssens & Van Bockhaven, 2017). Thus, along with an increase in specialization and knowledge-intensiveness (Aarikka-Stenroos & Jaakkola, 2012) as well as the dependence on the customer’s willingness to collaborate, creates the need for firms to acquire resources (i.e. information and/or knowledge) from customers in order to create value (Mustak, 2017; Santos & Spring, 2015), also critical in KIBS firms (Mustak, 2017; Aarikka-Stenroos & Jaakkola, 2012) where the customer was found to be a co-creator of value.

Knowledge-intensive business services (KIBS) are of great importance for developed economies (Mustak, 2017). While value creation between parties is key in business-to-business marketing (Aarikka-Stenroos & Jaakkola, 2012), it is been argued to be imperative for marketers working within KIBS to understand its characteristics as well as to acquire an understanding of how and why companies can enable value and trust to be built between parties through their interactions (Growe, 2018). Since the last decade of the 20th-century, scholars have been studying KIBS from a variety of research perspectives (Growe, 2018), where some researchers have studied the theoretical perspective of the importance with interactions in KIBS in order to enable value co-creation (Aarikka-Stenroos & Jaakkola, 2012; Ballantyne et al., 2011; Heikka & Näätty, 2018). Value co-creation “[...] takes place through mutually beneficial interactions among actors within business ecosystems” (Kohtamäki & Rajala, 2016, p.4), which could be described as “[...] networked systems of economic actors” (Ibid). According to the Service-Dominant (S-D) logic, value is not determined by the product or service delivered (Baumann, Le Meunier-FitzHugh & Wilson, 2017) but the time-of-use, determined solely on the beneficiary, or the user in that service experience (Ballantyne et al., 2011). Also, the customer is an active role (Kohtamäki & Rajala, 2016) by
participating in the value creation process, and by sharing its knowledge and skills (Ballantyne et al., 2011), which is needed to create solutions, e.g. technological information, market insight and project objectives (Aarikka-Stenroos & Jaakkola, 2012), thus, “value is always co-created” (Kohtamäki & Rajala, 2016, p. 6). Value is not only perceived to be created by the customer but multiple actors, which includes customers, suppliers and third parties through direct and indirect interactions within ecosystems, such as service systems (Ballantyne et al., 2011). However, it should be noted that the marketing perspective has gained criticism for replacing other marketing perspectives, such as goods-dominant (G-D) logic, and being regressive (Vargo & Lusch, 2011). Also, it has been shown that an imbalance of specialization and skill could inhibit co-creation, which the S-D logic does not consider (Aarikka-Stenroos & Jaakkola, 2012).

According to Petri and Jakob (2016), the potential value for the customer lies in the firm’s value proposition and requires a beneficial trade-off between benefits and sacrifices, which creates difficulties for KIBS firms as the firms often possess high levels of expertise and individual knowledge, where the expectations often are difficult for the customer to comprehend (Heikka & Nätti, 2018). Furthermore, because S-D logic builds on that the direct and indirect interaction between the customer and the supplier is crucial for creating value, Kohtamäki & Rajala (2016) argue that the S-D logic has obvious linkages to the interaction approach of the IMP Group. The research of value co-creation mostly stems from the S-D logic, where the value of a product or service, is not consumed or destroyed (Kohtamäki & Rajala, 2016), nor embedded in the product or service, but in the time of use (Heikka & Nätti, 2018; Ballantyne et al., 2011). As KIBS firms are having customized solutions, close collaboration and sharing of information (Aarikka-Stenroos & Jaakkola, 2012), Chan, Yim, and Lam (2010) argue that value co-creation is of special importance in these firms. Also, in the value co-creation literature, customers are of extra importance due to the value-in-use, or value-in-context, where the service value “[…] does not exist until the customer uses or experiences goods and services” (Petri & Jakob, 2016, p.64).

2.2.1 Resource integration
Resource integration is central to value co-creation due to that individuals use operant resources, i.e. knowledge and skills, to create a service offering by integrating the supplier’s operant resources, with other parties, i.e. the customer’s, operant resources (Hughes, Vafeas & Hilton, 2018) which could occur at individual, group, firm, network
The value co-creation is thus displayed as the outcome from resource integration (Vargo & Lusch 2008; in Kleinaltenkamp et al., 2012) which also is central in S-D logic (Hughes, Vafeas & Hilton, 2018) where “all social and economic actors are resource integrators” (Vargo & Lusch 2008; in Kleinaltenkamp et al., 2012, p.201). Resource integration is, thus, “a “continuous process” [...] that involves different actions and activities performed by an actor” (Plé, 2016, p.153) where the operant resources are constituting a firm’s competitive advantage (Vargo & Lusch 2008; in Kleinaltenkamp et al., 2012). There are two distinctive types of resources presented in the literature; operant and operand resources. KIBS firms often rely heavily on its operant resources, such as “[...] knowledge, information, competencies, reputations, technical expertise, know-how, and management skills” (Mustak, 2017, p.2) where the firms trigger resource integration (Plé, 2016) by often sharing the tangible, operand, resources with their customers (Mustak, 2017). Furthermore, due to that resource integration is required to create a service (Hughes, Vafeas & Hilton, 2018) and that resources are integrated as value is delivered in the time of use, Mustak (2017) argue that all resources provided in a service offering determine the quality of the service, which then might differ if customer resources are scarce.

2.2.2 Customer participation
Plé (2016) argues that customer participation is closely related to resource integration and the concept is used far more often in marketing research, which fits the perspective of S-D logic, while Chan, Yim, and Lam (2010) argue that customer participation is central in value co-creation. Customer participation in KIBS requires higher resource inputs over longer time periods than in business-to-consumer contexts. KIBS firms rely on customer inputs, in the form of information and other resources, where customer participation is highly relevant for creating value and by intensive interactions between customer and supplier, KIBS firms co-creates value. Therefore, customer participation is crucial to KIBS, but also for value co-creation (Mustak, 2017). Also, as stated, the customer, as well as other third parties are of importance in creating services offered by suppliers in KIBS (Aarikka-Stenroos & Jaakkola, 2012; Mustak, 2017; Santos & Spring, 2015) and similarly to resource integration, the concept of customer participation includes the customer sharing information, knowledge and other resources to assist the service creation process, however, the concept focuses solely on the customer’s participation (Santos & Spring, 2015). Furthermore, as supplier-customer relationships are crucial in business-to-business contexts, customer participation contributes to the development and maintenance of the business relationship (Mustak,
Furthermore, resource integration is required to produce a service (Hughes, Vafeas & Hilton, 2018), where the co-creation of the service could lead to increased value through the relationship (Mustak, Jaakkola & Halinen, 2013) and the firm does not often have the required resources needed to create the service offerings alone, thus, the firm relies upon customer participation to gather the missing resources (Mustak, 2017).

Along with meeting customer needs, customer participation is crucial in KIBS, as research has shown that it increases KIBS effectiveness (Santos & Spring, 2015). The customer contribution has shown to deliver economic and psychological benefits for the parties involved (Chan, Yim & Lam, 2010). Benefits received from customer participation include reduced cost of producing and delivering services due to that the customer shares its resources with the supplier and thus, increases efficiency and effectiveness of the service delivery process (Mustak, 2017). It is also shown that customer participation could contribute to more effectively increase service delivery, sales performance, customer perceived value (Santos & Spring, 2015), customer loyalty, and customer satisfaction (Mustak, Jaakkola & Halinen, 2013). However, in KIBS firms, customers may lack knowledge and expertise and thus, may lack the proper engagement in the service delivery process (Santos & Spring, 2015). Other benefits include joint new product development, joint market entry, and accessing unreachable resources, where the benefits could generate a competitive advantage for the firm (Mustak, 2017). However, Mustak, Jaakkola, and Halinen (2013) suggest that an increase in customer participation might lead to high-stress levels and require adaptability and responsiveness from the supplier representatives, which could be managed by appropriate reward systems and training and some argue that customers participating in the service creation might lead to the customer gaining enough knowledge to create the service alone and thus creates a threat of becoming a competitor to the supplier. In addition, Mustak (2017) found that the development of the relationship between KIBS firms and customers was one of the most central value outcomes of customer participation, which was considered crucial from both customer and supplier perspective where KIBS firms and their customers are recommended to develop efficient interaction processes and resource integration. Furthermore, apart from value co-creation, other scholars have conducted studies that have to demonstrate alternative outcomes of value e.g. value diminution (Vafeas, Hughes & Hilton, 2016), and value co-destruction (Plé & Chumpitaz Cáceres, 2010).
2.3 Value co-destruction

In the marketing literature on value creation, a positivistic perspective is often perceived static, while ignoring the possible negative outcome of value co-creation (Echeverri & Skålén, 2011), which arguably could occur as interactions and resource integrations between actors could result in failure (Järvi, Kähkönen & Torvinen, 2018; Plé & Chumpitaz Cáceres, 2010). The concept of value co-destruction has been put in the shadow of value co-creation (Zhang et al., 2018) and according to Järvi, Kähkönen, and Torvinen (2018) gaining interest and is now starting to emerge while the concept is started to be getting noticed in the value co-creation literature (e.g. Zhu & Zolkiewski, 2015; Plé, 2016). Smith (2013) argue that value co-destruction stems from S-D logic, which contributed to the emergence as well as increased interest in the concept.

The commonly used definition for value co-destruction by scholars within the area will also be the chosen definition for this thesis and thus value co-destruction is defined as;

“[…] an interactional process between service systems that results in a decline in at least one of the systems’ well-being […] During this process, these service systems interact either directly […] or indirectly […] through the integration and application of resources” (Plé & Chumpitaz Cáceres, 2010, pp.432-433).

Social bonds often are created with customers in order to prevent value from being destroyed and creating devastating effects in KIBS firms (Santos & Spring, 2015). Even though value co-creation literature has been found on KIBS (e.g. Aarikka-Stenroos & Jaakkola, 2012), research on value co-destruction in KIBS seem to be scarce. Previous literature has found that value co-destruction could result from indifferent attitudes, insufficient resources, malfunctioning technologies, confrontations, cheatings, inability to file complaints, misunderstandings and delayed service in negative encounters between customer and supplier as well as be a result of a supplier’s lack of soft skills. The phenomenon of value co-destruction may be the result of interactions being accidental and/or intentional that lead to misunderstandings, or misinterpretations (Zhang et al., 2018).

The research on value co-destruction has extensively been empirically viable for service-oriented firms, where business-to-consumer markets are included (Zhang et al., 2018; Smith, 2013; Plé & Chumpitaz Cáceres, 2010; Echeverri & Skålén, 2011). Some
researchers seem to target the service employees of an organization to work towards retention and handling of customer complaints in order to prevent value co-destruction to occur, and also found that value co-destruction could occur due to lack of complaint outlets, and angry customers posting negative comments online (Zhang et al., 2018) while, Smith (2013) argue that resource loss leads to lower self-esteem, and also emphasises in the business area, as well as approached potential respondents in three shopping centres in the North of England in the study. Furthermore, Zhang et al. (2018), focuses on individual perspectives in the methodology, considering cognitive, affective and behavioral elements, as well as emphasizing the demographic diversity of the respondents in online channels. Plé and Chumpitaz Cáceres (2010) exemplifies value co-destruction with customers that buy a car but does not maintain it. Also, Echeverri and Skålén (2011) conduct the methodology on a public transport organization called Göteborgs Spårvagnar (GS) (Gothenburg Tramways) which focuses on the interactions between the bus/tram drivers and travelers. This makes these studies arguably not fully applicable to more knowledge-intensive settings as the methodology is conducted within business-to-consumer markets, where business-to-business research differs from business-to-consumer due to a change in complexity and context (Zhu & Zolkiewski, 2015). Moreover, the literature has divided value co-destruction by either happening through interaction failure and/or resource integration failure.

2.3.1 Interaction failure
Value co-creation is the positive outcome of successful interaction between parties. However, it has to be understood that if interactions between parties are not performed adequately, the interactions could ultimately result in a negative outcome for the parties. The basis for value co-destruction and interaction failure between parties may be due to the lack of knowledge of the service provided (Echeverri & Skålén, 2011; Plé & Chumpitaz Cáceres, 2010). Value co-destruction as a concept is therefore based on occurrences where value co-creation between parties and their interaction fails. Value co-destruction may also occur simultaneously as value co-creation (e.g. Makkonen & Olkkonen, 2017; Järvi, Kähkönen & Torvinen, 2018), where even if value may be reciprocally destroyed between the parties, it may not be destroyed equally between them. Thereby, the purchasing side or the providing side of the relationship may experience significantly more loss in value compared to the other parties (Plé & Chumpitaz Cáceres, 2010). Furthermore, customers and suppliers could also blame each other in an interaction, where value co-destruction is created due to the communication gap (Zhang et al., 2018). Integration failure of resources stems from limited and/or
lacking in knowledge of how to use the service, ultimately leading to loss of resources, therefore, creating dissatisfaction between the parties (Järvi, Kähkönen & Torvinen, 2018), which has further been explained to inhibit value co-creation (Smith, 2013). In addition to interaction failure as a cause of value co-destruction, the failure of resource integration (Järvi, Kähkönen & Torvinen, 2018), and misalignment between parties may be a determining factor for the negative outcome (Gambetti & Graffigna, 2015).

2.3.2 Resource integration failure
Negative service encounters often are experienced by customers. This is because misused resources will be experienced by the customer if resources are not delivered as expected and if the resources are not gained by the customer, creating value results in failure (Smith, 2013). Also, negative emotions, cognitions, and actions on the integration by the supplier representative might result in misuse and/or failure to integrate the supplier’s resources with the customer’s resources (Plé, 2016). However, the literature often focuses on the integration and/or interaction failure of service employees, where the customer might be the party that fails to integrate the resources (e.g. Zhang et al., 2018; Smith, 2013; Plé, 2016). Farquhar and Robson (2017) argue that some customers fail to understand how to integrate their operant resources with the supplier’s operant resources, thus, effectively destroying value. They argue that these customers are not generating enough benefits (i.e. costs exceed revenue) for the relationship to be continued. However, abandoning customers have been shown to possibly inflict negative consequences for suppliers where the abandoned customer might interact with other current customers which could afflict the firm negatively (Ibid). Furthermore, Hughes, Vafeas, and Hilton (2018) argue that customers seem to value the supplier’s operant resources where the supplier could provide knowledge and skills to be developed in the customer organization. The development of the operant resources in the collaboration is of great importance as future resource integrations will be further and better integrated than previous integrations due to information and relationship developments (Ibid).

2.3.3 Value reduction
As aforementioned, Vafeas, Hughes, and Hilton (2016) presented a new term, value diminution, for value destruction, as the term destruction is “[...] inadequate as an all-encompassing term, because it implies irreparable loss” (p. 470). Value reduction in a business-to-business context could occur due to deficiency or misuse of resources where trust, communication, power/dependence, coordination, and human capital are identified
resources that could reduce value if misused or absence, which also affect relationship performance (Vafeas, Hughes & Hilton, 2016). Furthermore, KIBS firms have to establish high trust due to that the relationship is built out of trust (Collins & Smith, 2006), where negative events that co-destroy value could lower or prevent trust from being built (Smith, 2013) which arguably makes it of high relevance to study value co-destruction in KIBS firms. In complex markets, effort and resources are perceived as key in value co-creation where if effort and resources are lacking, the outcome will result in value co-destruction for the parties (Zhang et al., 2018). Mustak (2017) found that the value outcomes from customer’s participation between a KIBS provider and customer were more clear, as the service process advanced. As suppliers need knowledge about the customer organization, customer education could assist the supplier and thus create better services (Santos & Spring, 2015).
3 Research & Conceptualization

The following chapter presents the research question as well as the problems with the area of research. Additionally, the chapter also presents an operationalization where value co-creation and value co-destruction is conceptualized as well as the correlated themes.

3.1 Research questions

*RQ 1:* How could individuals working closely with customers in technology-based knowledge-intensive businesses proactively prevent value co-destruction?

*RQ 2:* What activities could be utilized in order to recover from value co-destruction in technology-based knowledge-intensive business firms?

3.2 Research problem

As aforementioned, the main perceived problems with value co-destruction are that the concepts have been scarcely researched and that the research conducted tends to be business-to-consumer (e.g. Järvi, Kähkönen & Torvinen, 2018; Zhang et al., 2018). The authors have therefore determined that the main research problem is the uncharted territory of applying the value co-destruction concept in the context of KIBS as seemingly limited research have made the connection between them previously.

3.3 Operationalization

In order for researchers to work consistently with a specific term, it has to conceptualize and operationalize. This ensures that the intended term in the minds of the researchers can be realized in the conducted research. Since a failure when defining and operationalizing a concept can result in unsuccessful research, as a result of the lack in the terms applicability as well as the terms power of explanation. Furthermore, the conceptualized term is based on criteria, therefore, enabling it to be measured during the gathering of data. Declaring the meaning of the term is the starting point of operatively defining it, and the definition may be chosen according to the researchers' perception of the term (Berg, 2000, pp.25-27). The authors of this thesis have therefore determined two central terms that have to be conceptualized from criteria based on the theory. In addition, these terms are in the context of KIBS, unlike the previously mentioned theoretical definitions provided by other researchers. The terms in the context of KIBS are provided in order to consistently gather data in regards to the purpose of the thesis; (1) Value co-creation, (2) Value co-destruction.
3.3.1 Conceptualizing value co-creation
The conceptualization of value co-creation made by the authors of this thesis (see Figure 1), is based on three central parts that Plé (2016) suggest. Value co-creation has to involve two or more parties were the interaction enables collaboration which is essential for a successful venture. In addition to that, these parties have to share their knowledge, skills and/or possessions between one another, thus, integrating resources (Ibid).

3.3.2 Conceptualizing value co-destruction
This thesis conceptualization of value co-destruction can be seen in Figure 1 and is conceptualized to be the negative outcome unlike the positive outcome of value co-creation as suggested by Echeverri and Skålén (2011). Value co-destruction is, therefore, the failed interactions and failed resource integrations (Järvi, Kähkönen & Torvinen, 2018).

3.3.3 Conceptualization model
Figure 1 presents a conceptualization of the two central concepts as well as their sub-concepts based on the two previous sub-chapters. Although the purpose of the thesis is to explore value co-destruction, the authors perceive that the inclusion of value co-creation in the model is of importance to clearly establish their conceptual relationship as the concepts are jointly connected (Zhang et al., 2018).

Figure 1. Conceptualization model of value co-creation & value co-destruction
3.3.4 Concept themes
The second step is to provide how the concept may be measured by the researchers, however, this may be of great difficulty in qualitative research (Berg, 2000, pp.25-27). This opinion is shared with the authors of this thesis since the concepts are perceived to be abstract and complex in nature, thus, resulting in measurement difficulties. Additionally, the conceptual definitions simply regards the suppliers' experience of value co-creation and value co-destruction and disregards the customer side, further increasing the difficulty of measurement, since; (1) value is not determined by the product or service delivered in S-D logic (Baumann, Le Meunier-FitzHugh & Wilson, 2017), (2) but instead the time-of-use, which is determined by the beneficiary party, or the user in that service experience (Ballantyne et al., 2011). Berg (2000, p.26), suggest that researchers experiencing measurement difficulties should instead investigate occurrences (i.e. themes) connected to the concepts. The authors have therefore determined that measuring the concepts is not of relevance in this specific thesis and that the conceptual definitions will instead act as a guide in order to explore the empirical findings. Further aided by themes of questions regarding resource integration, collaboration with customers and customer dissatisfaction (see Appendix A) to investigate strategies, activities, and experiences related to the concepts and the sub-concepts.
4 Methodology
The following chapter presents in-depth information on how the research was conducted as well as why it was conducted as such. Thereby, presenting the thesis to be of qualitative nature based on multiple cases, where data was collected from semi-structured interviews.

4.1 Exploratory research purpose
As the purpose of this thesis is exploring the recovery activities conducted by KIBS firms in the IT-industry in regards to proactively preventing value co-destruction. Zikmund et al. (2013, p.52) expressed that researchers seeking to clarify situations that may be perceived as unclear conducts exploratory research. Also, exploratory research seeks to gain a new understanding of a specific research area as well as exploring it from new perspectives in order to understand the issue within the area of research (Saunders, Thornhill & Lewis, 2009, p.139). In addition to exploratory research, Zikmund et al. (2013, pp.53-54) expressed that research may also be descriptive (e.i describing characteristics) and casual (e.i. investigating cause-and-effect). However, because the researchers seek to clarify as well as gain additional nuances of value co-destruction through the interactive processes conducted by KIBS firm, the purpose is therefore seemingly expressing characteristics of exploratory research.

4.2 Qualitative research method
Business research enables companies to develop tactics as well as strategies to ensure a successful business venture. Research within business aims to expand knowledge and uncover the uncertainties that companies may face (Zikmund et al., 2013, pp.3-4), in order to search and possibly unveil the truth behind the uncertainties (Zikmund et al., 2013, p.38). Value co-destruction contributes to the marketing literature by offering insights on interaction failures (Echeverri & Skålén, 2011; Plé & Chumpitaz Cáceres, 2010) as well as resource integration failures (Järvi, Kähkönen & Torvinen, 2018; Gambetti & Graffigna, 2015), which could emerge in a firm where it could inhibit trust from being built, resulting in harm to the relationship (Smith, 2013), especially in KIBS, as intense collaboration characterize these firms (Aarikka-Stenroos & Jaakkola, 2012). However, the area of value co-destruction has been scarcely researched (Plé & Chumpitaz Cáceres, 2010; Echeverri & Skålén, 2011; Smith, 2013; Prior & Marcos-Cuevas, 2016; Farquhar & Robson, 2017; Makkonen & Olkkonen, 2017; Järvi, Kähkönen & Torvinen, 2018; Kähkönen & Torvinen 2018; Zhang et al., 2018) as well as an exciting call for qualitative studies to further understand value co-destruction
Further supported by Aarikka-Stenroos and Jaakkola (2012) who suggest further research is required within the subject area of value and collaboration in KIBS. Furthermore, the chosen research approach provides the general orientation of the research within the area of business e.g. utilizing qualitative research for quantification of data and qualitative research when instead of focusing on words and tends to be interpretivism (Bryman & Bell, 2011, pp.26-27). The qualitative research method is perceived to be appropriate according to the authors, on the basis suggested by Doz (2011), that the qualitative research is explanatory in nature, therefore, being appropriate when further understanding is required within an area of research. In addition to that, the area of value co-destruction requires further understanding of the phenomenon and the call for qualitative research within the area (Prior & Marcos-Cuevas, 2016). Thereby, further supporting the chosen qualitative research method utilized in this thesis.

4.2.1 Abductive approach
The previous part provided the justification and explanation of the qualitative research method that has been used when conducting the thesis. The following paragraph will explain and justify the appropriate approach to determine the relationship between theory and research.

Qualitative research tends to predominantly emphasize the inductive approach (Bryman & Bell, 2011, p.27), going from empirical research to theoretical result (Eriksson & Kovalainen, 2015, p.23), the data therefore systematically generates theory based on the ‘grounded theory’ (Dubois & Gadde, 2002). Unlike the quantitative research method that instead tends to utilize the deductive approach (Bryman & Bell, 2011, p.27) where the theory is instead the basis of knowledge (Eriksson & Kovalainen, 2015, p.23). Therefore, applying the theory in the real world based on developed propositions. In addition to the two previously mentioned approaches to find the relationship between theory and research, researchers may also systematically combine them. Abductive approach is the combination which based on encounters, in reality, provide new concepts and creates new theoretical models. Furthermore, characteristics of the abductive approach are in general progressively similar to the inductive approach compared to the deductive approach. The approach is suggested to be appropriate within the research seeking to uncover and acquire further understanding (Dubois & Gadde, 2002). The abductive approach has been utilized by the researcher in this thesis in order to fulfill the purpose as well as investigating the relationship between the theory and the
findings. This is because Dubois and Gadde (2002), suggest that the abductive approach renders it possible for researchers to contribute with new concepts as well as creating new theoretical models. In addition, Aarikka-Stenroos and Jaakkola (2012) suggest applying the abductive approach in qualitative research when researching the area of value and collaboration within KIBS. Since the approach is deemed to be appropriate when the purpose of the study is to increase understanding of the existing theory and the empirical findings (Ibid).

4.3 Multiple-case strategy & comparative design
As aforementioned, the thesis will follow a qualitative method and have an abductive approach to understand the relationship between the theory and the conducted research. Furthermore, the term “value co-destruction” has emerged in the 21st century, and has been suggested to be expanded on in theory as well as empirically (Plé & Chumpitaz Cáceres, 2010). In addition, according to Prior and Marcos-Cuevas (2016), a multi-perspective study is needed to increase the understanding of the value co-destruction in a variety of industries, specifically research that focuses on the supplier perspective. Furthermore, according to Dubois and Gadde (2002), a case study strategy can provide the researchers with an in-depth understanding of the empirical findings and the problems of which the research is derived from when being based on the abductive approach. This is because of the simultaneously evolving and conducting the empirical fieldwork, the theoretical framework as well as the case analysis. However, studying cases it is not without limitations since results cannot be generalized (Ibid). The case study strategy has extended to the multiple-case study strategy meaning there is more than one case examined (Bryman & Bell, 2011, p.63). The multiple-case study is suitable in business-to-business when researchers want to test or confirm theories (Eriksson & Kovalainen, 2015, p.137). In addition, a multiple-case study strategy is favorable in business research because of its theory-building capabilities. Theory derived from the comparison of different cases and therefore tends to have a comparative research design. Thereby enabling researchers to distinguish the characteristics of the cases investigated, in order to understand their similarities and differences. Also, utilizing the similarities and differences as a springboard by which the researchers can use when contrasting the empirical findings and the theoretical reflections (Bryman & Bell, 2011, pp.66-67), and according to Yin (2011, p.8), this is when researchers deliberately contrast cases. As aforementioned the multiple-case study strategy tends to have a comparative research design, this is because of the strategy contrasting two or more cases. This type of research design provides the researchers
with an understanding of phenomenons that occurs socially by comparing cases to one another in qualitative research (Bryman & Bell, 2011, p.63). Furthermore, when researchers investigate multiple cases, they have to determine the number of cases that will be investigated in the study. This can be determined by looking at the purpose and the research question of the study conducted. In addition, it is suitable for researchers that want to expand on the theory as it emerges in business-to-business research (Eriksson & Kovalainen, 2015, p.137). Because of the aforementioned call for further investigation on value co-destruction both theoretically as well as empirically (Plé & Chumpitaz Cáceres, 2010), and the call for multi-perspective studies regarding value co-destruction in different industries (Prior & Marcos-Cuevas, 2016). This thesis follows a multiple-case study strategy with a comparative research, and it investigates ten different company representatives in the IT-industry and the research design is based on; (1) its applicability for emerging theory in business-to-business research (Eriksson & Kovalainen, 2015, p.137), (2) its enablement of an in-depth understanding of the empirical findings when utilizing an abductive approach (Dubois & Gadde, 2002), (3) as well as its theory-building capabilities (Bryman & Bell, 2011, pp.66-67).

4.4 Semi-structured interviews
So far, the previous parts have determined that the thesis utilizes the qualitative research method with an abductive approach to find the relationship between the theory and the findings. It has also been determined that conducting a multiple-case study gains an in-depth understanding of the empirical findings and having a comparative research design in order to contrast the findings with the theory. The following paragraphs will explain and justify the means of which the researchers used to collect the data from the multiple cases used in this thesis.

According to Bryman and Bell (2011, p.389), the researcher may utilize a number of qualitative techniques to collect data such as observations and/or interviews. In addition, Dubois and Gadde (2002) suggest that a researcher who investigates cases can utilize in-depth interviews to explore exciting issues in the research area (Dubois & Gadde, 2002). Furthermore, researchers chose to conduct their qualitative research with a single technique to collect data (e.g. in-depth interviews) utilizes a mono-method (Saunders, Thornhill & Lewis, 2009, pp.151-152). The mono-method, unlike others, do as the name suggest includes one means of data collection which surely is inferior to methods combining more than one (Bryman & Bell, 2011, p.644). However, due to the limited
time duration of the thesis, the authors have chosen a mono-method since it requires fewer means of collecting data.

Furthermore, qualitative interviews can be either unstructured or semi-structured, where the latter mentioned has a theme as well as questions that are going to be investigated in the interview (Saunders, Thornhill & Lewis, 2009, p.321). Also, the collections of data from semi-structured interviews are useful for research with the purpose to explore in-depth (Eriksson & Kovalainen, 2015, p.95; Zikmund et al., 2013, p.149). In addition, the order of which the questions are covered may vary between interviews depending on factors such as the interview flow (Saunders, Thornhill & Lewis, 2009, p.321). Furthermore, Aarikka-Stenroos and Jaakkola (2012) expressed that when researching value as well as KIBS with an abductive approach, semi-structured interviews with open-ended questions are appropriate. This is because they enable the interviewer to ask further questions outside of the set list of questions if areas of interest arise that concern the purpose of the study (Hesse-Biber & Leavy, 2006, p.125). Also, enabling the researchers within such complex areas of research to raise unexpected issues and providing formality to analyze the investigated phenomena (Aarikka-Stenroos & Jaakkola, 2012). Based on the appropriateness of utilizing semi-structured interviews when having an abductive approach as well as its ability to raise points of interest in during the interviews conducted, the data of which the empirical findings are based on have been collected from ten semi-structured interviews. In addition, the interviews were conducted by the same investigator each time since Yin (2011, p.247) expressed having a solo investigator minimizes potential uneven results when collecting the data. Furthermore, the interviews lay as the base of the empirical findings and were conducted both in person (face-to-face) as well as virtual face-to-face meetings over the internet. These two ways of conducting qualitative interviews (i.e. face-to-face and the internet) are according to Saunders, Thornhill, and Lewis (2009, p.321) two out of a variety of ways to collect data in qualitative interviews. It must, however, be recognized that utilizing interviews as a means for data collection has its limitations such as language, verbal behavior and an incorrect perceived understanding of the social context (Bryman & Bell, 2011, p.495). In addition, researchers should also record and transcribe the conducted interviews since it enables them to conduct a qualitative data analysis (Aarikka-Stenroos & Jaakkola, 2012; Saunders, Thornhill & Lewis, 2009, p.480). Finally, all ten semi-structured interviews that were conducted in order to fulfill the purpose of the thesis has therefore been recorded and transcribed. Additionally, the authors recognize that language is a limitation when conducting the interviews in these
specific cases, since english is the second language of the interviewees. However, this was carefully monitored by asking if the question was correctly understood in order to ensure the answer to be of relevance. Lastly, the questions seen in Appendix A acted as a interview guide in order to have a baseline schedule for all interviews conducted.

4.5 Interview sample
The previous part provided insight the semi-structured interviews used in order to collect data. The following paragraphs present how the interviewees were chosen to fulfill the purpose of the thesis.

When conducting interviews during the thesis the researchers determine and purposely chose the individuals of interest in accordance with the research purpose. Where each individual represents a case and researchers then add the cases together in order to have a group of cases (Flick, 2018, p.115). According to Saunders, Thornhill, and Lewis (2009, p.233), the approach to purposefully choosing the sample is non-probability sampling. In addition, according to Suri (2011), purposefully choosing the sample has shown to increase the quality of the conducted research. There are a vast number of different sampling types that researchers may utilize (e.g. opportunistic sampling, criterion sampling, typical sampling, and convenience sampling) as well as the combining them in as a mixed purposeful sampling. This mix of samplings may be determined by reflecting on how the combinations of the sampling complement the one another to ensure that the samples provide sufficient data required to fulfill the research purpose (Ibid). This thesis, therefore, utilized the mixed purposeful sampling in order to acquire the necessary knowledge to fulfill the research purpose by combining; (1) criterion sampling, (2) typical case sampling. Firstly, according to Suri (2011) criterion sampling determines into cases of interest by stating the inclusion and exclusion criterion. These are predetermined in order to find the cases of which may provide adequate knowledgeable for potential improvements (Patton, 2002, p.238). The criteria explicitly stated for including the case in the study was; (1) A firm present in the Swedish IT-industry, (2) the firm provides KIBS, (3) the individual (i.e. participant) is a sales representative. Secondly, according to Patton (2002, p.236) the typical case sampling is useful in settings where familiarity with the research area is limited, it includes participants as well as key informants that possesses typical knowledge in the area, and it cannot be used to generalize results. Furthermore, as the value co-destruction term is new and has been scarcely explored by researchers (e.g. Plé & Chumpitaz Cáceres, 2010; Zhang et al., 2018), it can be argued that participant
familiarity with the concepts (see Figure 1) is quite limited, however, this does not affect the exploration. Since the concepts have been operationalized (see 3.3 Operationalization), the focus is thus to investigate the participants' experiences, strategies, and activities connected to the concepts. It can, therefore, be argued that combining the two forms of sampling allowed the researcher to have a narrow and purposeful sample of participants, to ensure them having the necessary knowledge and sufficient understanding of the research area. Arguably resulting in a specific sample of participants and cases in order to fulfill the purpose of the thesis.

Lastly, when applying the mixed purposeful sampling it provided the researchers with a total sample of 50 with a 20% response rate. Resulting in the total number of participants to be ten sales representatives from KIBS providing firms in the Swedish IT-industry.

4.5.1 Respondent validation
During as well as after the process of data collection in qualitative research, researchers should involve the participants from which the data was collected in order to ensure increased accuracy, credibility and quality based on the participants' validation of the findings (Torrance, 2012). The ten participants all received transparent information of censorship possibilities, as Bryman and Bell (2011, p.396) express that it may increase collaboration because of potential defensive reactions and increases correspondence. In addition, a summary of the interview was provided directly after it was conducted as well as the participants receiving the final draft of the thesis with the synthesized results.

Furthermore, previous parts of the thesis have mentioned that the interviews were collected in person as well as virtual face-to-face meetings. Also, the time duration during which data was collected occurred between 2019-04-15 and 2019-04-30. Table 1 provides further information about the interviews, where the presented respondents individually represent a company, each respondent, therefore, represents a case. Lastly, it is important to note that due to confidentiality reasons, neither the real name of participants nor company names will be mentioned in the thesis (see 4.5.2.3 Invasion of privacy).
4.5.2 Research ethics
Bryman and Bell (2011, p.128) suggest that researchers have to take four principles of ethics into consideration in research; (1) Harm to participants, (2) Lack of informed consent, (3) Invasion of privacy, (4) Deception.

4.5.2.1 Harm to participants
Harming the research participants includes both physical and mental harm. Researchers should, therefore, assess what could of harm to the participating parties, and minimize these accordingly (Bryman & Bell, 2011, p.128). The authors of this theses found that the extensive assessment of possible physical and/or mental harm to participants during the collection of data was the stress of being uncomfortable when being interviewed. This was handled by thoroughly explaining the agenda of the research as well as the interview. In addition, illuminating and emphasizing that the participant may stop the interview at any time as well as not answering questions if they are experienced to be of the uncomfortable nature. Since the authors perceive this potential harm to foremostly regard invasion of privacy it will be further explored in an upcoming part of the thesis (see 4.5.2.3 Invasion of privacy).

4.5.2.2 Lack of informed consent
As aforementioned in the previous part, the authors thoroughly explaining the agenda of the research as well as the interview. According to Bryman and Bell (2011, p.133), this minimizes the potential of an ethical breach in regards the lack of informed consent, as information is required in order to understand the premises of participating in the research.

Table 1. Interview & respondent information

<table>
<thead>
<tr>
<th>Case</th>
<th>Respondent</th>
<th>Years of Industry Experience</th>
<th>Date of Interview</th>
<th>Respondent Position</th>
<th>Interview Duration</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Gilbert</td>
<td>&lt; 10</td>
<td>2019-04-15</td>
<td>CEO &amp; Sales Representative</td>
<td>42 min</td>
</tr>
<tr>
<td>2</td>
<td>Salvatore</td>
<td>&lt; 10</td>
<td>2019-04-15</td>
<td>CEO &amp; Sales Representative</td>
<td>45 min</td>
</tr>
<tr>
<td>3</td>
<td>Sommers</td>
<td>&lt; 5</td>
<td>2019-04-17</td>
<td>Sales Representative</td>
<td>44 min</td>
</tr>
<tr>
<td>4</td>
<td>Bennett</td>
<td>&gt; 5</td>
<td>2019-04-23</td>
<td>Sales Representative</td>
<td>46 min</td>
</tr>
<tr>
<td>5</td>
<td>Forbes</td>
<td>&lt; 5</td>
<td>2019-04-24</td>
<td>Sales Manager</td>
<td>35 min</td>
</tr>
<tr>
<td>6</td>
<td>Donovan</td>
<td>&lt; 15</td>
<td>2019-04-24</td>
<td>Sales Manager</td>
<td>47 min</td>
</tr>
<tr>
<td>7</td>
<td>Lockwood</td>
<td>&gt; 5</td>
<td>2019-04-26</td>
<td>Business Responsible</td>
<td>43 min</td>
</tr>
<tr>
<td>8</td>
<td>Saltzman</td>
<td>&lt; 15</td>
<td>2019-04-26</td>
<td>Sales Manager</td>
<td>45 min</td>
</tr>
<tr>
<td>9</td>
<td>Pierce</td>
<td>&lt; 10</td>
<td>2019-04-29</td>
<td>Sales Manager &amp; Business Responsible</td>
<td>52 min</td>
</tr>
<tr>
<td>10</td>
<td>Mikaelson</td>
<td>&lt; 10</td>
<td>2019-04-30</td>
<td>CEO</td>
<td>51 min</td>
</tr>
</tbody>
</table>
4.5.2.3 Invasion of privacy
According to Bryman and Bell (2011, p.136), this principle is determined based on informed consent, since knowing one's right to privacy can be acknowledged if saturated information and consent are achieved. In addition, this is also liked to issues regarding anonymity and confidentiality as well as being hard to determine because each person is an individual with a different stance of what is intrusive (Ibid). Anonymity is a part of confidentiality and is when the researcher withholds the real name of participants when presenting the empirical findings from qualitative in-depth interviews. In addition to that, confidentiality also includes keeping what is said during the collection of data, however, this can only be taken into consideration if the data is not shared (Saunders, Kitzinger & Kitzinger, 2014). The authors of this thesis have therefore decided to keep company names hidden as well as hiding the names of participants behind alias names, thus, the names presented in Table 1 are fictional. In addition to that, all interviewees consented to that the data gathered may be presented in the theses.

4.5.2.4 Deception
Lastly, this principle is in regards to how the research is presented to the participants, specifically if it is what the researchers actually present (Bryman & Bell, 2011, p.136). As aforementioned both the overall research purpose as well as the agenda for it and the agenda for the interviews were thoroughly presented for the interviewees. This was done twice, once during initial contact and once before the actual data gathering occasion.

4.6 Data analysis
As aforementioned in the previous part, the criteria for sampling included that the firm provided KIBS in the IT-industry, as well as the participation to be a sales representative for such firms. Bryman and Bell (2011, p.67) suggest that business researchers that utilize a comparative design as well as focusing on specific individuals (e.g. sales representatives), the level of analysis should be on an individual level.

As aforementioned, data was collected from in-depth semi-structured interviews that were later transcribed, and according to Saunders, Thornhill, and Lewis (2009, p.480) such data is suggested to be progressively complex compared to other forms of non-numerical data. Furthermore, Dubois and Gadde (2002), expressed that the abductive approach shares characteristics with both the inductive and deductive approach.
However, is increasingly similar to the inductive approach compared to the deductive approach when finding the relationship between theory and empirical findings. It is suggested that researchers utilizing the abductive approach should analyze the data similar to the ‘grounded theory’ commonly used in the inductive approach combined with the deductive approach. Researchers should focus on theory development rather than confirming theories as well as theory generation (Ibid). Since the concept and theory of value co-destruction have been presented by a number of researchers (e.g. Plé & Chumpitaz Cáceres, 2010; Echeverri & Skålén, 2011; Smith, 2013; Prior & Marcos-Cuevas, 2016; Farquhar & Robson, 2017; Makkonen & Olkkonen, 2017; Järvi, Kähkönen & Torvinen, 2018; Zhang et al., 2018), this thesis instead develops the concept of value co-destruction in the IT-industry with the focus being KIBS firms, ergo following the abductive approach, and the analysis of data accordingly, as suggested by Dubois and Gadde (2002). Moreover, the framework of the ‘grounded theory’ develops a theory by reciprocally referring continually between the collected data and the analysis of data (Bryman & Bell, 2011, p.576). The theoretical sampling (i.e. collected data and analyzing it) continues until researchers reach theoretical saturation (Saunders, Thornhill & Lewis, 2009, p.509; Bryman & Bell, 2011, p.442).

In addition, Eriksson and Kovalainen (2015, p.142) expressed that researchers investigating multiple-cases may compare the empirical data to theoretical propositions as an analytical technique. Arguably, because this thesis follows an abductive approach to find the relationship between theory and empirical findings, this technique is somewhat tentative based on the limited theory (e.g. Plé & Chumpitaz Cáceres, 2010; Zhang et al., 2018). However, according to Dubois & Gadde (2002), because the abductive approach follows an alternative framework compared to inductive research and the ‘grounded theory’, it enables researchers to modify the original framework based on new theoretical and empirical insights. The analytical technique presented by Eriksson and Kovalainen (2015, p.142) can, therefore, arguably be extended with the abductive approach allowing for modification as well as its similarities to the ‘grounded theory’ as suggested by Dubois & Gadde (2002).

The authors of this thesis have therefore determined that the data analysis technique utilized shares similar characteristics to the ‘grounded theory’. However, does differentiate to some degree, based on; (1) the focus on theory development instead of theory generation (Dubois & Gadde, 2002), (2) the analytical technique of comparing empirical data to theoretical propositions in multiple-case studies (Eriksson and
Kovalainen (2015, p.142), (3) allowing for modifications of the original framework (Dubois & Gadde, 2002). The base of the analysis is the conceptual operationalization to investigate themes of resource integration, the collaboration with customers and customers dissatisfaction (see 3.3.4 Concept themes), to find the relationship between theory and the empirical findings. Lastly, during the data collection, the acquired thematic input of experiences, activities and strategies, resulted in the following empirical categories based from the abductive approach utilized; (1) Customer education, (2) Transparency, (3) Customer surveys, (4) Business events, (5) Information sharing via reports, (6) Unveiling business opportunities, (7) Customer participation, (8) Special competencies.

4.7 Quality criteria
For researcher conducting in-depth qualitative interviews a variety of issues arise regarding the quality because of such forms of data collection lack standardization (Saunders, Thornhill & Lewis, 2009). This thesis has therefore set quality criteria in order to ensure reliability and validity in the research conducted. These quality criteria are based on Bryman and Bell (2011, p.395) four suggested criteria for trustworthiness in qualitative research in order to secure reliability as well as validity; (1) Credibility, (2) Transferability, (3) Dependability, (4) Dependability. These four criteria can be seen in the following four parts.

4.7.1 Credibility
This criterion has been presented previously in the thesis, as the participant validation. This is because according to Bryman and Bell (2011, p.395) the criteria of credibility is the alignment of the empirical findings and the theoretical ideas developed resulted from them. The participant validation increases accuracy because of the participants beginning, therefore increasing credibility and ultimately the quality of the research (Torrance, 2012).

4.7.2 Transferability
This criterion is suggested to be of difficulty to meet in qualitative research because it is correlated to the degree of which it can be replicated by other researchers (Bryman & Bell, 2011, p.398). According to Dubois and Gadde (2002), statistical inference is unachievable when researching cases. Furthermore, Eriksson and Kovalainen (2015, pp.137-138) expressed that results from individual cases cannot provide a generalized understanding or occurrence for a specific population. However, Yin (1994, p.36)
suggest that analytical generalization can be applied when conducting case research. Since with this type of generalization the results from conducted case studies aid in the identification of other cases with similar results, ergo “in analytical generalization, the investigator is striving to generalize a particular set of results to some broader theory [...]” (Ibid).

4.7.3 Dependability
This criterion concerns the reliability of the results and the ability of researchers to replicate (Bryman & Bell, 2011, p.41). In addition, Saunders, Thornhill, and Lewis (2009, p.327) point out that reliability is a major issue to overcome when conducting qualitative interviews in order to ensure adequate research quality. Also, as previously mentioned Eriksson and Kovalainen (2015, pp.137-138), expressed the limited ability to generalize results from the case research. It can, therefore, be argued that this criterion is of difficulty to meet as this thesis focuses on qualitative interviews as well as cases from which data was collected. However, Zhang et al. (2018) argue that an increased number of studies regarding value co-destruction will increase the generalizability overall. Furthermore, all documentation regarding the research such as field notes from interviews, transcription of interviews, extensive notes of the total sample size and participants have been saved. According to Bryman and Bell (2011, p.398), accessible documentation as such is imperative for reliability and renders increased ability for researchers to replicate the results.

4.7.4 Confirmability
The last criterion presented refers to the objectiveness of the conducted research, such as the inclusion of personal values and/or specific theoretical affection (Bryman & Bell, 2011, p.398). In addition, bias is an issue of quality that may become apparent in semi-structured as well as in-depth interviews. Bias can be an issue that arises from both the interviewer as well as the interviewee. Interviewer bias may appear from a number of factors, one can be imposing personal beliefs during the interview. A number of factors may also result in interviewee bias, such as holding back information because the interviewer imposes its personal beliefs. Decreasing bias and increasing credibility to the interviewer can be accomplished when preparing for the interview (Saunders, Thornhill & Lewis, 2009, pp.326-328). The researchers, therefore, conducted extensive planning prior to each interview, this includes; (1) gaining adequate knowledge of the research area and the interviewee, (2) providing the interviewee with adequate
information regarding the research area, (3) meeting location, (4) having prepared questions of the topic area (see Appendix A).

4.8 Work process
The authors of this thesis are Andreas Hagman and Viktor Zivkovic. In the beginning stages of the thesis, both authors read a comprehensive amount of articles, in order to acquire an understanding of the research area and similar research (e.g. service failure). The beginning stages also included discussions between the authors in order to determine a general understanding of the research purpose. During the stages of writing, both authors divided the work equally between the parties. During the data collection, Andreas mainly held the interviews and Viktor mainly transcribed. The last three parts of the thesis, ergo, empirical data, analysis, and conclusion were written by both authors together in order find themes from continuous discussion as well as to analyze the results and to synthesize and draw a final conclusion from it.
5 Empirical Findings

The following chapter presents the data collected from the semi-structured interviews with the ten different participants, who each represents a case and a company. The findings present categories of the participants' activities, strategies and experiences gathered from the operationalized themes of concepts.

5.1 Customer participation

Continuing on the collaboration with customers and further presenting the interviewees' experience with customer engagement and participation in the relationship, Salvatore (2019, pers. comm., 15 April) believes that customer engagement and participation is essential for companies that provide a solution that requires extensive knowledge. This is because the close collaboration with customers enables them as a supplier to acquire the necessary and sufficient information to deliver their solution since the customer is the party having the information. The information is explained to be knowledge of the company processes and what they do on a daily basis and is gathered from listening to what the customer has to say. In addition, the interviewee expressed that because the customer has the necessary information in order to deliver the solution, they are to some extent the creator of the solution provided by the supplier (Ibid). In addition, Saltzman (2019, pers. comm., 26 April) shares the opinion that close collaboration is a necessity for companies providing complex services, as well as the importance of customer participation to acquire adequate information and knowledge in order to deliver such solutions. Further expressing the importance of the daily work, activities, and interactions conducted between parties, stating that they “[...] have team meet-ups, project meetings [...] with the customer so the way we work with capturing potential dissatisfaction is integrated with the daily work with customer [...]” (Ibid).

Continuing, Gilbert (2019, pers. comm., 15 April) expressed that such intense collaboration is of importance, however, not necessary for all customers. The interviewee presented two different scenarios that may occur in newly established collaborations. The first of which falls in line with the opinion of the two mentioned interviewees in the previous paragraph. This scenario is regarding customers with sufficient time and resources, determined by the supplier. Such scenarios are also described to be the best case since the organization could aim to educate the customers. However, the second scenario differs to some extent because of the limited customer participation, the interviewee explains this outcome to occur when “[...] the customer has limited time and needs to get it done resulting in us doing the majority of the work
which is quite easy because we know what we do as long as we get the right information” (Ibid).

Furthermore, Bennett (2019, pers. comm., 23 April) expressed their collaboration with the customers to be similar to the aforementioned second scenario presented in the previous paragraph. The interviewee further explained that close collaboration before, during and after delivery is not a necessity since the customer requires minimal knowledge and education when utilizing their provided solution. However, they as a supplier do need sufficient information. Information that is provided by the customer to the supplier in order for them to deliver the service and solution. The interviewee further expressed that “[...] we need someone that can answer and do what we tell them to do” (Ibid). This type of collaborative relationship with arguably limited customer participation is also shared and utilized by Donovan (2019, pers. comm., 24 April), further emphasizing the importance of the right knowledge. The interviewee explained that because of their complex services, the organization has to know everything about the customer where they require relevant, in-depth, and nuanced information regarding the customer, thus, enable them to provide the best solution possible. In accordance with the previous interviewee and the aforementioned second scenario, it is explained that the organization conducts the majority of the work due to limited collaboration. However, unlike the second scenario which emphasized the limited time customers may have, the interviewee explained that the limited collaboration during customer relationships has purposely been chosen because the supplier is the expert especially in comparison with the customer. Ultimately resulting in extensive customer participation before, during and after service delivery to be unnecessary, since the supplier is the expert, not the customer and due to that “because of our competencies which is why the customer does not need it” (Ibid).

5.2 Customer education
Educating the customer was a common action made by the KIBS firms in order to prevent customer dissatisfaction, where some IT-software could be educated on “[...] how to use them in a smart way” (Donovan, 2019, pers. comm., 24 April), where the benefit, explained by Gilbert (2019, pers. comm., 15 April), is that educating the customer continuously could result in more customer commitments and engagements, and understanding the work performed by the organization instead of appearing “[...] as sim sala bim and the problem is solved [...]”, which also could result in the customer having appropriate knowledge to “build an understanding and value to bring with us in
discussions ahead”. Donovan (2019, pers. comm., 24 April) further explained that the organization “[...] most often explain how and why the situation is the way it is to find a solution together” in order to provide knowledge about the service to the customer. Also, Forbes (2019, pers. comm., 24 April) stated that if service delivery cannot be made because of too high customer expectations, termination of the relationship “is the last thing to do, before it we try to find a solution such as adding further competencies or educating the customer”. However, educating the customer in the KIBS firm’s job could lead to competition, where Donovan (2019, pers. comm., 24 April) stated that “[...] but technical knowledge is not required, which is why we are hired, we don't educate them in our job”, and “[...] the service is our competence and knowledge that we deliver”, where education was not provided in all business areas.

Another reason for educating the customer could be due to the knowledge-intensive services provided, in order to understand the product functions, and security issues such as password protection (Ibid), and to educate more efficiently, Lockwood (2019, pers. comm., 26 April) explained that the customer’s administrators and “super users” were educated first in how the product works, and how to use it, where the administrators and the “super users” later could educate the end users. This does not only save time in the implementation phase but also when new employees are hired at the customer location that needs to be educated in the system (Ibid). However, Bennett (2019, pers. comm., 23 April) stated that “companies today do not have the time to educate their employees and they instead want to buy it as a service and puts the requirements on our table instead of on their employees”, meaning that the KIBS organizations are often hired due to their knowledge and expertise, and the customer’s lack of specific resources, where the customer does not always have time to be educated in the service.

Also, educating the employees was an action taken to prevent customer dissatisfaction where Mikaelson (2019, pers. comm., 30 April) explained that after infiltration of data security, they “prevented that from happening again by having education and interacting with all new employees”. Also, consultant education could be used to further grow the business, where Forbes (2019, pers. comm., 24 April) explained that formal and informal discussions on sales opportunities with the consultants were performed based on the consultant’s personality because “some of the consultants does it automatically and other needs coaching and some do not want to do it at all”. Educating the employees on new competencies were often perceived in consulting firms as Mikaelson (2019, pers. comm., 30 April) explained that the organization have a designed bonus
system for the consultants where a yearly budget for education have to be reached in order to get the bonus because the consultant’s competencies are the core business of the organization. Forbes (2019, pers. comm., 24 April) also expressed the need for technical staff to have social competence “which is why communication and discussion is something that we have to educate the consultants in” (Ibid).

5.3 Customer surveys
The following paragraphs provide different perspectives from a few of the interviews regarding their positive, indifferent or negative experiences with customer surveys as a tool to secure customer satisfaction or to uncover customer dissatisfaction.

Firstly, according to Lockwood (2019, pers. comm., 26 April) utilizing customer surveys on a yearly basis has a clear benefit in regards to the backup properties that it may have in combination with regular face-to-face meetings. As these face-to-face meetings may uncover dissatisfaction early, it does not take into account all people involved with the service delivery. This may instead result in a single perspective as provided by the people interaction in the meetings. The survey instead acts a means to acquire multiple perspectives and opinions from a number of people involved, a few of which has opinions that may simply get lost during the parties’ interactions. These yearly surveys are therefore conducted in order to acquire a larger picture of the customers' opinion and satisfaction, the interviewee expressed that “[...] a yearly customer satisfaction survey [is] providing a general understanding of their satisfaction” (Ibid).

Secondly, during the interviews with Saltzman (2019, pers. comm., 26 April) and Forbes (2019, pers. comm., 24 April), both interviewees expressed their indifferent opinions by utilizing customer surveys as a tool for customer satisfaction or to uncover customer dissatisfaction. The interviewee further expressed that they are beneficial, however, that they prefer to uncover these satisfactions through other communication channels because of their increased efficiency in comparison to customer surveys. Questions regarding customer surveys activities and if they conducted them. The interviewees expressed that customer surveys “[...] occur sometimes, however we most often invite customers to seminars and meetings [where] they express what has been very good, and if some items are wanted to be considered, or developed” (Saltzman, 2019, pers. comm., 26 April), and that it is “[...] absolutely the best way to do it because
we have an interview guide. It can also be sent via PDF, but an interview is definitely the best way to do it” (Forbes, 2019, pers. comm., 24 April).

Lastly, according to Mikaelson (2019, pers. comm., 30 April), they used to have customer surveys as a tool to uncover the customers' general satisfaction, however, they have stopped using it lately. This is expressed not necessarily because of its inefficiency to uncover their opinion and satisfaction but is more so connected with the response rate of the surveys as they are given to the customer. Thus, affecting the results, which ultimately provides them as a supplier with a limited understanding and unveiling of the customers' opinions and satisfaction. This is because a number of people that it may concern to not answer the surveys but instead prioritizes other work-related obligations. The interviewee expressed that “[...] if an email with a survey drops in your inbox, the email could often be down prioritized, but if you are sitting next to the customer, the question cannot be ignored” and continued to explain that they instead take the questions formerly asked in the survey during formal meetings with the customer (Ibid).

5.4 Business events
This activity has equally divided opinions as to the previous part, where opinions are divided on how to conduct business events and if they are a necessity for companies.

Salvatore (2019, pers. comm., 15 April) expressed that they believe to have a different point of view and approach regarding events, this is because the company has only one major customer that they have close collaboration with and interact with on a daily basis. The interviewee expressed that they conduct weekly visits to their main customer, conducting both formal and informal meetings during a whole day and further stated that the customer visits “are like a business event but between me and the customers' employees because it is a major interaction activity that we do” (Ibid). Furthermore, as aforementioned in the previous part, Saltzman (2019, pers. comm., 26 April) expressed that they preferred to utilize seminars over customer surveys as a type of event to gather information regarding customer satisfaction. The company utilizes these events to gather and conduct both tactical as well as strategic activities that may benefit the collaborative parties. These events help them as a supplier to understand the customers ever changing the environment as well as their organizational development such as increased digitalization. In addition, the interviewee expressed the relationship and collaboration to be dynamic, since the customer and their organization “[...] is in a specific pace, and sometimes the pace increases [...] and that is the type of feedback we
get [...]” (Ibid). Furthermore, Sommers (2019, pers. comm., 17 April) explained that their way of conducting business events between them and their customers is through workshops. These workshops include a variety of customer representatives that utilizes their solution. The workshops are conducted in order to proactively work with customer satisfaction because customers may extensively acquire new functions and possibilities with the provided solution, the interviewee expressed that they “[...] invite 40-60 people into workshops, giving them the opportunity to get new info and letting them ask questions as well as demo the product to the customers. Which is very beneficial because it allows for input and customers may experience new functions” (Ibid).

However, not all interviewees were unanimous in regards to business events and if they are worth investing in. Donovan (2019, pers. comm., 24 April) expressed that there is no doubt that business events can be beneficial for companies if they are conducted correctly, also adding that they do make the customer feel appreciated, which does affect customer satisfaction. Furthermore, while the interviewee recognizes the benefits of business events, it was also added that such activities are nothing that they as a company invest time nor money in. In addition, the interviewee explained to have previous experiences business events during earlier workplace experiences, questioning such activities not only because of the necessary investment of time and money but also the actual event as a necessary activity for customer satisfaction (Ibid).

5.5 Information sharing via reports
Bennett (2019, pers. comm., 23 April) explained that they provide their customer with nuanced and in-depth reports that provide the customer with insights. The company provides insights into the customers' industry because it is ever-changing and dynamic. The insights may regard industry trends as well as forecasts and expectations of the industry up to six months in advance. The interviewee explained this activity to be highly relevant and beneficial for the customer, therefore being favorable for them as a supplier. The reports are of relevance for the customer as they can proactively work with trends and aid in the avoidance of potential industry obstacles, thus resulting in a variety of beneficial properties for the customer. The company as a supplier instead acquire benefits from these reports by strengthening the relationships with the customer. Further explaining that the degree of benefits received by the customer from such reports is sought for, result in few customers wanting to change supplier. In addition, it is also in accordance with their objective and intent as a supplier since they aim to provide customers with advice. Resulting in the customer to increase their dependency
on them as a supplier, however, the interviewee further explained that both sides benefit from them providing advice and the customer is to some degree dependent on them as a supplier. This is because such advise “[...] is what most customers want, they want to have an advisor, they want to know our perspectives” (Ibid).

5.6 Unveiling business opportunities
As customers are “[...] living in a changing environment and the digitalization within their organization [...] and they set new requirements on our services [...]” (Saltzman, 2019, pers. comm., 26 April), it is of critical importance according to most interviewees to identify new business opportunities to continue satisfying customer needs. Therefore, for nearly all interviewees, an important objective for the KIBS firms were to discover new sales opportunities, as Saltzman (2019, pers. comm., 26 April) continued stating that he wanted “to see how things are going [...], try to understand if there is more business to make”. Bennett (2019, pers. comm., 23 April), stated that “it is important to grow and find new parts of the customers department to see how they can benefit from our solution” and the fundamental part of customer meetings were about “the daily work, such as issues, but it is also about finding new business opportunities” (Lockwood, 2019, pers. comm., 26 April), where Saltzman (2019, pers. comm., 26 April) have both tactical and strategic meetings with their customers in order understand what direction that the customer is heading towards, which is the most important objective. Also, Forbes (2019, pers. comm., 24 April) stated that the organization both held formal and informal meetings with the consultants to monitor their experience during their time with the customer, in order to identify new business opportunities. Furthermore, Gilbert (2019, pers. comm., 15 April) believes that due to the increasingly competitive environment, businesses “must work more with proactive and prepared selling”.

Bennett (2019, pers. comm., 23 April) explained how meetings occurred at different levels, where the technical staff on both customer and supplier side were discussing, but also informal meetings with management from both customer and supplier side every quarter, in order to “[...] show our direction and to uncover their direction and vision”. Saltzman (2019, pers. comm., 26 April), as a sales representative, stated that he wanted to “look at what they have today, and map out future functionalities”. Also, these follow-up meetings, Donovan (2019, pers. comm., 24 April) explained, provide the organization with “what we can do better and what we do good and a plan for the upcoming period”. Bennett (2019, pers. comm., 23 April) explained how customer
dissatisfaction was solved by adding more services for the customer as “the customer wanted to leave us, but we managed to change the situation by implementing a new service, which they experienced added more value”. Lastly, Forbes (2019, pers. comm., 24 April) stated that “[...] there is a continuous analysis of their needs, which is acquired from customer information. And to acquire it requires close connection to them, and the best meeting is face-to-face”, which indicates the importance of customer participation in finding new business opportunities.

5.7 Transparency
There is seemingly a consensus between the interviewees of transparency in relationships. Salvatore (2019, pers. comm., 15 April) explained that that transparency is of great importance for suppliers engaging in closely collaborative relationships with their customers. According to Gilbert (2019, pers. comm., 15 April), the quality of the service is affected if transparency is lacking between parties and in addition, Sommers (2019, pers. comm., 17 April) further added that transparency increases customer satisfaction.

According to Bennett (2019, pers. comm., 23 April) having transparency between team members in collaborative relationships is essential, since it is the base for all the necessary information that the supplier has to acquire is derived from the trust. Trust that has been built up between the parties in order to have an information sharing partnership. In addition, the salesman working closely with the customer has to demand clarity during interactions of what is communicated and having an orderly structure of the meetings. Failing to demand clarity during interactions with customers “[...] can result in many problems in understanding each other” (Ibid). This is further expanded on by Donovan (2019, pers. comm., 24 April), emphasizing that unclear communication, as well as problems of understanding one another, may be the result of the different levels of rhetorical skills, knowledge in regards to the service provided or misunderstanding feedback. The interviewee also points out that the key to collaborative relationships is transparency and that “[...] if someone would darken and keep information away from the customer is really bad” (Ibid). Forbes (2019, pers. comm., 24 April) explains that neglecting to communicate potential negative occurrences that may affect the customers may result in conflict, and further adds that open and transparent suppliers experiencing such occurrences may instead strengthen the relationship. However, according to Pierce (2019, pers. comm., 29 April), conflicts are going to occur even if parties engage in full transparency, and should ideally be
known to the supplier before the customer experiences the issue. It is therefore of great importance to deliver what was agreed on as well as deliver according to schedule. The interviewee further adds that conflicts between parties are solved by interaction and continuous dialogue. In addition to that, expressing the importance of presenting the customer with potential risks that may occur during the collaboration in order to be as transparent as possible. Therefore suggesting that suppliers may utilize a Risk Matrix to unveil and transparently present collaboration risks, the matrix also act as a means of proactively working with reactive strategies of risk handling. Presenting the collaboratory risks and working with a Risk Matrix in order to increase transparency is explained to be utilized “[...] if you are professional, this is how you work” (Ibid).
6 Analysis
The following chapter presents an analysis and synthesis of the relationship between the data gathered from the ten semi-structured interviews and value co-destruction as well as the value co-creation literature.

6.1 Proactive practices of value co-destruction prevention
According to Mustak (2017), KIBS firms rely on customer participation in order to co-create value and due to the intensive supplier-customer interactions, KIBS firms co-creates value with their customer. It is additionally argued by Chan, Yim, and Lam (2010) that customer participation has a central role in value co-creation, since value co-creation is derived from the parties participation and collaboration by sharing knowledge and skills (Ballantyne et al., 2011) in order to create the solution, e.g. market insight or technical information (Aarikka-Stenroos & Jaakkola, 2012). According to Salvatore (2019, pers. comm., 15 April), customer engagement and participation is a fundamental part when providing a service solution to customers since they are the party with knowledge of their own processes. Saltzman (2019, pers. comm., 26 April) further added that this is especially relevant for companies providing complex services and the daily work conducted between parties. Therefore, in order to co-create value, customer has to participate in the service process (Mustak, 2017), where the customer has a central role. If value co-destruction occurs and an interaction failure is present, service systems could recover from value co-destruction by co-creating value (Vafeas, Hughes & Hilton, 2016) through recovery service interactions with satisfactory resolutions (Zhang et al., 2018). Therefore, the customer has to be participating in the service process, in order to recover from value co-destruction, but also to prevent value co-destruction, as lack of customer effort could co-destroy value (Ibid). Executing activities involving the customer to get the customer to participate, could arguably prevent interaction failures which could result in value co-destruction.

6.1.1 Customer education
Santos & Spring (2015) suggest that if customers lack knowledge and expertise, proper engagement in the service delivery process could be inhibited, where lack of service knowledge could lead to value co-destruction, due to interaction failures (Echeverri & Skålén, 2011), but also resource integration failure, which could create dissatisfaction between parties (Järvi, Kähkönen & Torvinen, 2018). Resource integration failure could occur, not only due to the supplier failing to integrate resources, but the customer lacking knowledge of how to integrate supplier resources, which could result in failure
that not only destroys value (Vafeas, Hughes & Hilton, 2016) but also lead to a discontinued relationship (Farquhar & Robson, 2017). Therefore, customers being provided with service knowledge could prevent value from being co-destroyed, or even worse, for the relationship to be terminated (Järvi, Kähkönen & Torvinen, 2018), where educating the customer in the services provided by KIBS firms could enable enhanced service creation (Santos & Spring, 2015).

Customers having service knowledge may better understand the service value as the knowledge-intensiveness of the service provided could be difficult for the customer to comprehend (Gilbert, 2019, pers. comm., 15 April) and the knowledge could be provided by explaining the customer’s current situation for the customer, providing in-depth information about the current problem and collaborate in order to reach a solution (Donovan, 2019, pers. comm., 24 April). Educating the customer on the complexity of the KIBS service and provide comprehension of complex KIBS services would arguably be a time-consuming activity, for both the customer and the supplier, though, may be spent more efficiently in other areas.

On the contrary, KIBS firms rely on operant resources (Mustak, 2017), and without the resources, a firm loses its competitive advantage (Vargo & Lusch 2008). Customer education could result in the customer gaining enough knowledge to create the service independently and may become a competitor to the firm (Mustak, Jaakkola & Halinen, 2013), which was expressed by Donovan (2019, pers. comm., 24 April) to be a threat, as the firm did not want to educate the customers in their job. However, depending on the service complexity, the core competencies of KIBS firms would arguably not be acquired by customers, as, for example, software development requires work not able to be observed by the customer.

6.1.2 Customer surveys
It was found that a method used to discover customer dissatisfaction was to identify problems in an early stage, but also, as Mikaelson (2019, pers. comm., 30 April) argued, before small problems grow and become bigger problems. To map out possible dissatisfaction, surveys were used to increase the KIBS firms’ awareness of overall customer satisfaction. It was argued that customer surveys provided several perspectives of different individuals in different departments throughout the customer organization (Ibid), arguably providing an overall portrayal of customer satisfaction, which is of great difficulty for companies to acquire (Järvi, Kähkönen & Torvinen, 2018).
Additionally, Mikaelson (2019, pers. comm., 30 April) had used surveys before but are not using it anymore due to the lack of responses gained, the interviewee believed that individuals do not prioritize these emails, resulting in fewer responses, arguably presenting a situation where customer participation is lacking (Prior & Marcos-Cuevas, 2016). Instead, the same questions were used in face-to-face interactions that are more time-consuming, however, generated more in-depth responses. Nevertheless, the responses may be more in-depth, but would not capture the breadth of online surveys, while it could be argued that some customers may not express honest opinions face-to-face because of avoiding conflicts, where dissatisfaction could go unnoticed (Mikaelson, 2019, pers. comm., 30 April), which implicates that not only are interactions of great importance, but also customer participation in order to acquire the necessary and desired knowledge (Smith, 2013). Therefore, it is suggested to set aside time for questions to be asked in face-to-face meetings, and include online surveys to ensure capturing the dissatisfaction of those not able to participate in the meeting, for example, users of an IT-system, before an issue evolves.

6.1.3 Business events & information sharing
The empirical findings presented numerous activities conducted by the supplier requiring the customer to participate, which may increase the effectiveness of KIBS firm relationships (Santos & Spring, 2015). As aforementioned, Sommers (2019, pers. comm., 17 April) conducted workshops with many customers at once, allowing for customers to receive new technical knowledge as well as new functions, not only from the supplier but also between customers, thus, providing educational benefits (see 6.1.1 Customer education) as well as the enablement of expanding their networks, which is of importance for businesses depending on intensive interactions and collaborations (Håkansson & Snehota, 2006). Inviting several customers to a business event might also contribute to learning from other customer experiences, not only for the supplier, but the customers could possibly learn from other customers facing the same issues, where value is arguably co-created through third parties (Ballantyne et al., 2011). Additionally, in return, the supplier receives input from the participants allowing for increased product and service quality (Sommers, 2019, pers. comm., 17 April), which is an activity possibly enabling value co-creation (Kohtamäki & Rajala, 2016), since information and knowledge are shared (Mustak, 2017; Santos & Spring, 2015). Also, information and knowledge sharing between the customer and the supplier create an opportunity for business events to provide benefits for both sides of the relationship, which may aid in the recovery or avoidance of value co-destruction by co-creation of
However, conducting such activities are according to Donovan (2019, pers. comm., 24 April) unnecessary to some degree since customer dissatisfaction can be prevented with adequate interaction, and further adds that these activities notably have a downside as they require a substantial investment of monetary resources, and time of preparation. Therefore, it is arguable that events might co-create value for the parties involved, however, the cost might exceed the benefits emerged through these events, where a clear structure and objective for these events might assist the firm in determining the value.

6.1.4 Unveiling business opportunities
It was discovered that a key objective for most KIBS firm representatives is to continuously find new business opportunities by problem identification through customer interactions. While Lockwood (2019, pers. comm., 26 April) argued for continuously finding new business opportunities to let the customer feel that “[...] we take care of them and that we spend time and listen to them [...]”, Bennett (2019, pers. comm., 23 April) explained how implementing additional services to the customer, adds more value, where the firm recovered from an interaction failure and succeeded to co-create value, resulting in a satisfied customer. Implementing additional services could, as discovered, add value and arguably provides a need for more collaboration between the parties, as additional services often require more time invested. Nevertheless, the KIBS firm could, therefore, implement more services that co-creates value by gaining monetary resources, and add value for the customer, while also developing the relationship as more collaboration is needed (Mustak, 2017). An increase in collaboration between the parties due to an increase in services provided could enhance resource integration, as more resource integrations result in relationship developments, creating developed information and knowledge sharing (Hughes, Vafeas & Hilton, 2018), which is critical in KIBS (Mustak, 2017).

Bennett (2019, pers. comm., 23 April) mentioned that informal meetings with management were held to both uncover new business opportunities, but also to “[...] show our direction and to uncover their direction and vision”. He further explained that these informal meetings are held every quarter, where it is of importance to identify each other’s visions and goals, which is shown to co-create value (Järvi, Kähkönen & Torvinen, 2018). It is also shown that an actor’s expectations and objectives that are not met, result in value co-destruction (Ibid), whereas if goals, visions, and expectations are discussed in interaction processes, these objectives can be more easily identified and
therefore, more easily met, which co-creates value but also prevents value from being co-destroyed.

6.1.5 Transparency
Involving the customer result in more extensive information sharing, where e.g. hidden information could create an experience of value co-destruction (Vafeas, Hughes & Hilton, 2016). As revealed, customer education could prevent value co-destruction by providing service knowledge, which arguably could increase service comprehension, customer surveys could be implemented to reveal customer dissatisfaction before it grows and could harm the business, business events could increase knowledge by customers educating each other which assists in problem-solving activities, and unveiling business opportunities could develop the relationship and enhance the problem identification, unveil business goals and objectives which could reveal customer expectations. These proactive practices identified in the KIBS firms interviewed share important characteristics; (1) involving the customer, which increases customer participation, and thus, co-creates value (Mustak, 2017), (2) and increases communication, information sharing, and transparency in the relationship, where dissatisfaction, misinterpretations, and miscommunications (i.e. value co-destruction) could be identified, or prevented. Therefore, we argue that value co-destruction may be prevented by having transparency in the relationship to identify these miscommunications and misinterpretations. Pierce (2019, pers. comm., 29 April) explained how risks were identified and communicated through a risk matrix, which showed possible risks that might be occurring throughout the relationship, the probability of the risks occurring, the level of severity and what practices that is used in order to solve these issues. He further argued that the risk matrix builds transparency and make both parties aware of the risks associated with the relationship to later allocate the risk to one party for a fee in return. This is arguably a relevant example of an activity resulting in increased transparency, where if the risk occurs, an action plan is already established and the severity of the issue could be mitigated. The risk matrix could thus, increase service expectations as a better comprehension of the service is acquired, which is otherwise difficult for the customer to comprehend (Heikka & Nätty, 2018). Also, the supplier could demand clarity from the customer, where all individuals should make sure that all necessary information is acquired (Bennett, 2019, pers. comm., 23 April) by asking for as much information as the customer can provide (Donovan, 2019, pers. comm., 24 April) and to set goals, purpose, how to collaborate, communicate and plan for activities through formal meetings (Lockwood, 2019, pers.
comm., 26 April) which gives a clear picture of the customers’ goals (Mikaelson, 2019, pers. comm., 30 April). Demanding clarity and acquiring all necessary information create transparency, which arguably prevents miscommunications and misinterpretations between the parties (i.e. value co-destruction). Therefore, we argue that working towards customer participation and transparency is the foundation for which these proactive practices are built upon.

6.2 The emergence of value co-destruction
The literature on value co-destruction found that misunderstandings and misinterpretations result in value co-destruction (e.g. Järvi, Kähkönen & Torvinen, 2018), which could emerge from lack of resources (e.g. information) in an interaction process (Vafeas, Hughes & Hilton, 2016). Even though issues regarding technicality emerged (Bennett, 2019, pers. comm., 23 April), most failures that resulted in customer dissatisfaction revolved around misunderstandings and misinterpretations. Misunderstandings were found to be emerging through, for example, that “[criteria changes] haven’t been communicated […]” (Saltzman, 2019, pers. comm., 26 April), through financial questions (Gilbert, 2019, pers. comm., 15 April), without relationship structure and clearness (Bennett, 2019, pers. comm., 23 April), or “that you haven’t been on the same page […] you have had different ideas and understandings about [for example] delivery terms” (Saltzman, 2019, pers. comm., 26 April). Customer dissatisfaction often emerged through “[…] mistakes made by staff, a misunderstanding somewhere”, which results in lower levels of service and quality (Gilbert, 2019, pers. comm., 15 April), where “[…] it is not often that we don’t understand what we’re supposed to do, not in our industry […]” due to the high competence of the individuals (Saltzman, 2019, pers. comm., 26 April). Therefore, it is of importance for KIBS firms to communicate (Aarikka-Stenroos & Jaakkola, 2012) and be transparent in the interaction between the customer and the firm, but also demanding clarity, because it could otherwise easily result in miscommunications (Bennett, 2019, pers. comm., 23 April), ultimately resulting in loss of resources (Järvi, Kähkönen & Torvinen, 2018). The frequency of communication errors in regards to other fundamental mistakes, aligns with value co-destruction, as the concept of value co-destruction takes the interactive perspective of failures between parties emerging from unintentional misunderstandings and misinterpretations (Zhang et al., 2018).
6.3 Miscommunications & value co-destruction
Customer dissatisfaction was often discovered after the event creating the dissatisfaction was occurring. For example, Mikaelson (2019, pers. comm., 30 April) mentioned that the customer experienced that a consultant was frequently late to work, however, the customer did not communicate the dissatisfaction but communicated his dissatisfaction one year after the consultant frequently started to be late. The interviewee also expressed dissatisfaction, because the customer wanted to terminate the consultant, however, if the customer would communicate its dissatisfaction earlier, the problem could have been solved (Mikaelson, 2019, pers. comm., 30 April). This event, arguably not only destroys value for the customer, as the consultant is frequently late but also destroys value for the supplier, due to that the supplier has to find a new consultant rapidly, arguably creating mutual value co-destruction for both parties as the well-being of both the customer and the supplier decreases (Plé & Chumpitaz Cáceres, 2010). The question about who made the mistake is arguably complicated, as the customer could have communicated the dissatisfaction as it was acknowledged, however, the supplier could prevent the dissatisfaction by ensuring transparency (Bennett, 2019, pers. comm., 23 April), and execute more efficient communication between the two parties. Also, Saltzman (2019, pers. comm., 26 April) mentioned that customer dissatisfaction often emerged through details that were not communicated, such as delivery terms, before the service delivery process. The customer and supplier had different understandings about the delivery terms, whereas the conflict emerged firstly in the service delivery process, for which the miscommunication was acknowledged, thus, both parties experienced a decrease in well-being (i.e. mutual value co-destruction). In the same sense, Mikaelson (2019, pers. comm., 30 April) mentioned that the customer also might believe standby duty is included, but cost an additional fee or is even unavailable, thus, the miscommunication occurs before the acknowledgment of the unavailable standby duty, where acknowledging the unavailable standby duty creates a mutual value co-destruction experience.

Figure 2 shows that the miscommunication that results in interaction failure (e.g. hidden information such as changes in the project, consultant issues, standby duty, delivery terms) and the acknowledged miscommunication that results in mutual value co-destruction occurs at different time points. The proactive practices thus prevent miscommunications, which could result in mutual value co-destruction. The concept of value co-destruction seem to lack emphasize on the time aspect of the failure, however, it is argued that the customers and suppliers prepare and execute the collaboration at
different time points, meaning that “[...] it could be argued that time plays a part in the emergence of value co-destruction [...]” (Järvi, Kähkönen & Torvinen, 2018, p.64), where we found that interaction failures and value co-destruction often occur at different occasions, where the interaction failure could occur before value co-destruction is experienced. Therefore, it is arguable that not considering the time aspect when studying value co-destruction does not capture the complete representation of the phenomenon, as interaction failures often occur before it becomes acknowledged and mutually co-destroys value. This finding arguably makes the proactive practices to manage value co-destruction made by these individuals of even more importance as preventing miscommunications is arguably more convenient than preventing mutual value co-destruction in these examples presented.

![Diagram of Miscommunication and Value Co-destruction](image)

**Figure 2. Interaction failure & value co-destruction**

### 6.4 Simultaneous value co-creation & value co-destruction

Value co-destruction and value co-creation are often studied separately, where the focus of research emphasize on one or the other concept, however, the literature has acknowledged that value co-creation and value co-destruction can co-exist, where one party may experience a goal deficit (Järvi, Kähkönen & Torvinen, 2018), or more loss (Prior & Marcos-Cuevas, 2016). The previously mentioned situation where a consultant was frequently late, however, was not communicated, arguably created such event, where the customer was the only party experiencing value co-destruction, and the supplier experienced value co-creation. Once the value co-destruction was acknowledged by the supplier, actions could be taken to recover from the phenomenon, which in this example was to exchange consultant, while if simultaneous value co-creation and value co-destruction goes unnoticed, it could harm the business as value co-destruction could lead to customer dissatisfaction (Järvi, Kähkönen & Torvinen, 2018), or termination of relationships (Farquhar & Robson, 2017).

As seen in Figure 3, the customer shifts from experiencing value co-creation to experiencing value co-destruction, as the consultant frequently started to be late, however, the supplier was unaware of the issue where value co-destruction was not
experienced by the supplier until the issue got acknowledged. As recovery practices only could be used as the issue gets acknowledged, it is arguable that a supplier would strive to reach mutual value co-destruction, because the supplier has to be aware of the customer experiencing value co-destruction to recover from the phenomenon.

The supplier could either use proactive practices to prevent miscommunications, such as delivery terms not communicated, or use proactive practices to acknowledge possible miscommunications in order to recover from it. Proactive practices used to prevent miscommunications could be to unveil business opportunities, as formal and informal meetings could provide the supplier with enlightenment of the customer’s business goals and objectives, in order to easier assist the customer in reaching these objectives (Prior & Marcos-Cuevas, 2016), where it is argued that inhibiting customers’ goal achievement could co-destroy value (Järvi, Kähkönen & Torvinen, 2018). Proactive practices used to acknowledge miscommunications could be to use customer surveys, as unveiling customer dissatisfaction early could, in fact, prevent value co-destruction and acknowledge any concerns, which is shown to be of importance in Figure 3, as being unaware of an issue could harm the business. Furthermore, in the same sense that value co-creation is more likely as an outcome if the customer and supplier have mutual goals (Prior & Marcos-Cuevas, 2016), it could also be argued that if the customer and supplier experience mutual value co-destruction, recovery through value co-creation are more likely as an outcome, because as both parties are aware of the issue, the recovery from the mutual value co-destruction emerge as a mutual goal. Also, in order to recover

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Figure 3. *Simultaneous value co-creation & value co-destruction*

The supplier could either use proactive practices to prevent miscommunications, such as delivery terms not communicated, or use proactive practices to acknowledge possible miscommunications in order to recover from it. Proactive practices used to prevent miscommunications could be to unveil business opportunities, as formal and informal meetings could provide the supplier with enlightenment of the customer’s business goals and objectives, in order to easier assist the customer in reaching these objectives (Prior & Marcos-Cuevas, 2016), where it is argued that inhibiting customers’ goal achievement could co-destroy value (Järvi, Kähkönen & Torvinen, 2018). Proactive practices used to acknowledge miscommunications could be to use customer surveys, as unveiling customer dissatisfaction early could, in fact, prevent value co-destruction and acknowledge any concerns, which is shown to be of importance in Figure 3, as being unaware of an issue could harm the business. Furthermore, in the same sense that value co-creation is more likely as an outcome if the customer and supplier have mutual goals (Prior & Marcos-Cuevas, 2016), it could also be argued that if the customer and supplier experience mutual value co-destruction, recovery through value co-creation are more likely as an outcome, because as both parties are aware of the issue, the recovery from the mutual value co-destruction emerge as a mutual goal. Also, in order to recover
from mutual value co-destruction, value has to be co-created again (Vafeas, Hughes & Hilton, 2016) through mutually beneficial recovery practices (Zhang et al., 2018), often through practices involving customer participation, information and knowledge sharing, and most importantly, through communication and transparency. Furthermore, simultaneous value co-creation and value co-destruction seem to create difficulties for the supplier to experience a necessity to utilize recovery practices, as the supplier is unaware of the miscommunication and the customer is the party that is experiencing the results of that interaction failure (i.e. value co-destruction).

Customer participation is central in KIBS (Mustak, 2017), and as Chen, Yim & Lam (2010) argue that customer participation also has a central role in value co-creation, it is arguable that customer participation could be central in value co-destruction recovery, because, in order to recover from value co-destruction, a firm has to co-create value (Zhang et al., 2018). Therefore, it is arguable that proactive practices could engage the customer to participate, and start to co-create value for the customer, since the customer is, for example, being listened to, as the KIBS representatives unveil business opportunities. Also, it could result in that the customer gets to express its concerns as customer surveys are held face-to-face, which strengthens the communication between the two parties and increases customer participation, which could start to co-create value (Mustak, 2017). Taken this into consideration, as well as the issue regarding simultaneous value co-creation and co-destruction, the authors of this thesis thereby argue that the time aspect is of great importance for the concept of value co-destruction, but also for value co-creation, where further exploration of simultaneous value co-creation and value co-destruction could arguably expand the literature on comprehensively understanding the phenomenon; an area which research has called for (Zhang et al., 2018; Smith, 2013).
7 Conclusion

The last chapter of the thesis presents the synthesized and drawn conclusion based on the conducted analysis. Further presenting a discussion on the fulfillment of the research purpose and how the area may be researched further. It also presents the theoretical, managerial, and social implications of the results and their limitations.

7.1 Discussion

The aim of this thesis was to study proactive practices that could be used in order to prevent value co-destruction and how to recover from that occurrence. The literature on value co-destruction has been scarce and even more in business-to-business contexts, thus, this thesis contributes to the literature on business-to-business value co-destruction. As discovered, customer education, customer surveys, business events, and unveiling business opportunities are proactive practices that could prevent value co-destruction by its communicative as well as information and knowledge sharing traits that include the customer and assist in the resource integration, for which a lack of the traits could co-destroy value. The proactive practices found are only examples, and arguably more are to be found, however, provides the literature with a contextual foundation of the importance of the collaborative nature of KIBS relationships in avoiding value co-destruction. It is argued that it is not only what could be done to prevent value co-destruction, but how it is done, where engaging the customer to reach high customer participation, and ensuring transparency are shown to prevent miscommunications which could result in value co-destruction.

The proactive practices could contribute to preventing miscommunication between parties where customer education could enhance service creation and also increase service comprehension, where a lack of service knowledge could co-destroy value. However, depending on the complexity of the service, we argued that instead of educating the customer on the complex services, the supplier could communicate the customers current situation and ensuring in-depth information about the customer as well as collaborate to reach a solution, in order to educate the customer on what the service is solving, and how, to increase service comprehension. Educating the customer on what the complex service solves would be arguably more time and resource efficient, due to the complexity of KIBS. Managers should, however, be aware of the possibility of educating the customer enough for the service to be created independently or to become a competitor, depending on the complexity of the service. Furthermore, customer surveys create an overall picture of customer satisfaction, where different
perspectives of different departments could be captured, but most importantly, issues and customer dissatisfaction that could result in value co-destruction could be acknowledged in an early stage. However, managers should be aware of the lack of engagement in responses, where it is probable that customers regard the survey as unimportant. Therefore, the authors of this thesis argue that customer surveys should be balanced by asking relevant questions in face-to-face meetings, as customers might avoid conflicts face-to-face, but more in-depth answers can be given.

Workshops and other events could have educational benefits where knowledge and information can be shared, which is critical for KIBS firms, and inputs can be received where the participation could increase service effectiveness in KIBS. The customers can also share experiences and issues, where value co-creation can be enabled by third parties, as customers interact with each other. However, managers have to be aware of the extensive time and resources required to be invested in order to host such events. Also, unveiling business opportunities could have several benefits where it could engage customers, and unveiling customer needs could create mutual benefits as the firm shows that the customer is important by listening to the customer. If the customer experience value deficit, unveiling business opportunities could also add value for the customer, whereas if collaboration increases between the parties due to an increase in services provided, resource integration can be enhanced, as well as information and knowledge sharing, which is critical in KIBS. Lastly, transparency was shown to connect the proactive practices as it includes the customer in order to increase collaboration and communication and could also be used to more rapidly identify issues, such as dissatisfaction. In addition, a risk matrix could be used to increase transparency and prepare for possible issues occurring in the future, which benefit not only the supplier but the customer as well. Furthermore, if the supplier is demanding clarity from the customer, it could result in the customer expressing concerns or confusions about the service process. However, relying on the customer expressing concerns and confusions could result in miscommunications and therefore it is arguable that preventative actions, such as customer surveys and formal meetings to discover business objectives, could force customer expressions of confusion and dissatisfaction.

Recovering from value co-destruction is possible, as a supplier has to co-create value after the initial interaction failure, or resource integration failure. Customer participation is central in KIBS, and as it is argued to be central in value co-creation, the authors of this thesis argue that customer participation could be central in value co-destruction
recovery, because, in order to recover from value co-destruction, a firm has to co-create value. Therefore, it is arguable that activities that could be utilized in order to recover from value co-destruction and start co-creating value include the customer, to increase customer participation, and transparency, as communication was found to reveal miscommunications in order to reach mutual value co-destruction. This thesis provided examples of proactive practices, as previously mentioned, to prevent miscommunications that could result in either value co-destruction or mutual value co-destruction, where the supplier could realize that recovery practices are necessary only when value co-destruction experienced by the customer is acknowledged.

7.2 Theoretical implications
As shown in Figure 2, the miscommunication and value co-destruction often occurs at different time points, since the miscommunication is often acknowledged after the event in knowledge-intensive contexts, and the authors of this thesis argue that perceiving value co-destruction timelessly does not capture the complete representation of the phenomenon and might also inhibit further exploration of the concept. This thesis, thus, build on the theory on business-to-business value co-destruction, arguing that interaction failures and value co-destruction often happen at different time points, where the time between the miscommunication and the value co-destruction experience becomes of critical importance, as the value co-destruction could be experienced as far as one year after the initial miscommunication. The authors thereby find a new gap in research, where the time between the miscommunication and the experience of mutual value co-destruction could be of importance for the severity of the value co-destruction, where the example provided in Figure 3, shows that if the issue were to be communicated directly, the miscommunication would not emerge and the consultant would not have to be terminated from the project, which would decrease the severity of the event. This also results in that proactive practices might be better targeted towards preventing the point in time where the miscommunication occurs, and not solely on mutual value co-destruction, where the recovery practices might be better targeted.

7.3 Managerial implications
As lack of resources (e.g. information) could be interpreted as hidden information, which co-destroys value, most of the interviewees experienced mostly customer dissatisfaction resulting from miscommunications, where this thesis is therefore arguably providing the managers of KIBS firms with relevant information. The communication between the customer and the firm has shown to be of critical
importance because of the complexity of the services provided, but also the communicative nature of services within IT. It could be argued that proactive practices could assist KIBS firms in maintaining relationships, as reactive practices (i.e. recovery from mutual value co-destruction) might result in value co-creation, however, might also lead to relationship termination, which could harm the firm due to that relationship development is central in KIBS firms.

It was also found that proactive practices to prevent value co-destruction is often made unconsciously by the KIBS representatives interviewed through communication, such as formal and informal meetings. This study could provide new insights for managers, where the proactive practices found could, in fact, prevent customer dissatisfaction. However, this study has found that customer dissatisfaction is often prevented by strategies implemented, individually (e.g. finding new business opportunities), or organizationally (e.g. customer surveys), for which managers could acknowledge the importance of strategically work to prevent customer dissatisfaction by increasing customer participation and transparency, where formal strategies may be implemented in the supplier firm. Furthermore, interaction failures that result in value co-destruction could inhibit relationships from being built, and in the worst case scenario, terminate a relationship, where the proactive practices arguably become relevant.

7.4 Social implications
As value co-destruction is defined as “an interactional process between service systems that results in a decline in at least one of the systems’ well-being” (Plé & Chumpitaz Cáceres, 2010, pp.432), preventing business-to-business customer dissatisfaction could result in an increase in individuals’ well-being, which could contribute to enhanced work environments and external relationships. Also, as aforementioned, Järvi, Kähkönen, and Torvinen (2018) as well as Farquhar and Robson (2017), both imply that interaction failures could result in termination of relationships, which also would affect external relationships. Therefore, this study is contributing to the prevention of a phenomenon that could harm business individuals’, as well as organizations’ well-being.

7.5 Limitations
The authors perceive two main limitations of the conducted research. Firstly, it has previously been mentioned that the research investigates a multitude of cases and can, therefore, be analytically generalized. It is, however, important to recognize that the
results are based on KIBS firms within the Swedish IT-industry, the results may, therefore, be limited to geography and industry. Secondly, the research conducted investigates the supplier perspective of value co-destruction, thereby, investigating one side of a relationship and excluding the customer perspective and a dyadic perspective. This exclusion of perspectives does not capture the customers’ experience of the value co-destruction, limiting the results as their experience is not necessarily the same as the supplier since “[...] it is all about seeing situations from different perspectives [...]” (Forbes, 2019, pers. comm., 24 April), where the success of these proactive practices cannot be assured.

7.6 Suggestions for future research
As discovered, simultaneous value co-creation and value co-destruction creates difficulties for managers to engage in recovery practices, hence, the authors argue that there are occurrences between the interaction failure and the acknowledgment which could be of interest for researchers as the time between these two events could be of relevance, where future research could study the phenomenon and consider the time aspect to explore how these events between the interaction failure and the acknowledgment might affect the value co-destruction experience. Since the previous sub-chapter presented a limitation by having a one-sided perspective in the conducted research, the authors suggest that future researchers should investigate the proactive practices and recovery practices of miscommunications that result in value co-destruction from a dyadic perspective. This may enable the researcher to determine the effectiveness of the proactive practices as value could only be determined by the beneficiary. This can also be further expanded to a network perspective and in other industries because of the multiple actors involved. Lastly, this thesis took a service-dominant logic perspective on the co-creation and co-destruction of value. Future research could, therefore, expand the research from other marketing perspectives, and may investigate how value co-destruction could be avoided through rhetorics, since Donovan (2019, pers. comm., 24 April) expressed the importance of rhetorics in the majority of cases where miscommunication occurs, and where the literature has argued for its importance in intensive interactions for knowledge-intensive firms (e.g. Alvesson, 1993).
References


Appendices

Appendix A Interview guide

The following questions were asked to the interviewees and the respondent information can be seen in Table 1. Interview & respondent information (p.26).

Questions regarding the company overview
1. Can you explain your role in the company and what you do?
2. Who do you work with daily?
3. Which segment do you offer your service to?
4. How long is the average duration of relationships and collaborations?
5. Can you describe what is often discussed during customer meetings?
6. How often do you interact with the customer both during as well as after the service has been delivered?
7. How do you conduct meetings with customers?

Questions regarding resource integration and the collaboration with customers
1. How do you collaborate with customers?
2. What is required from you as a supplier to deliver the service?
3. How do you work with matching the customer processes with your service and its implementation?
   i. Is it generic or customizable?
4. What type of information is required from the customer in order for you to deliver the service?
5. How much are you and/or the company involved with the daily work of the customer in regards to the delivered service?
6. How much knowledge is required from the customer in order to use your service?
   i. How does the customer experience that?
   ii. Do you help the customer to acquire the necessary knowledge?

Questions regarding value co-destruction and customer dissatisfaction
1. Have you ever experienced customer dissatisfaction?
   i. What happened?
   ii. What actions did you take?
   iii. What was the result?
   iv. What was that the result?
   v. What did you learn?
2. What customers get dissatisfied most often?
   i. How are they handled?
3. Do you conduct follow ups of the customer during and after delivery?
   i. What do you learn from these?
4. How do you work today with avoidance of customer dissatisfaction?
   i. Is there a set process?
5. What is the results of these customer dissatisfaction avoidance activities?
   i. Why?
6. Do some activities work better than others?
7. Have you ever terminated a relationship because of customer dissatisfaction?
   i. Are there other reasons for relationship termination?
8. Are conflicts positive or negative?
9. What types of conflicts arise between you as a supplier and the customer?
10. What factors can result in conflicts?
11. How do you handle these conflicts?