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An Introduction to the Relationship between Value Co-destruction and Value Co-creation

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Abstract

Value Co-creation is viewed as a means of optimizing organizational innovation capabilities and processes in a service-oriented logic. Simultaneously, value Co-creation is gaining traction in an increasingly competitive and complex environment. Not all interactions between businesses and customers, however, result in positive value Co-creation; some interactions result in negative value Co-destruction. They can be thought of as two facets of the same coin that can occur concurrently and repeatedly. Value Co-destruction is gaining traction in practice as the relationship between businesses and their customers develops. As a result, scholars have begun to pay attention to it. However, scholars' research remains relatively fragmented at the moment, with few relevant studies. The purpose of this paper is to sort out the origins and development of research on value Co-creation and value Co-destruction, to clarify the connotations and characteristics of the concepts of value Co-creation and value Co-destruction, and to analyze their causes, in order to aid us in comprehending the formation of value Co-creation and value Co-destruction and their relationship.

Keywords

Value Co-destruction; Value Co-creation; Relationship.

1. Introduction

The development of social economy has resulted in an increase in the complexity and diversification of the economy. It no longer plays a single role in the process of value creation. As a consumer of value, it may also be a creator of value, resulting in value Co-creation. Value Co-creation has been established as the process of integrating the resources of multiple parties (enterprises, customers, suppliers, collaborators, competitors, and industry organizations, for example) in order to achieve Co-creation through the interaction of multiple parties. The problem of resource integration results in the polar opposite of value Co-creation during the value formation process: value Co-destruction. In theoretical research, contextual research, system research, and customer participation practice research, value Co-creation has made some progress, and the focus of research is gradually shifting away from service logic and customer participation theory and toward ecosystem and business model innovation. However, research on value Co-destruction is still in its infancy, with a small body of literature. The research focuses on the definition of connotations, cause exploration, and category analysis, demonstrating alienation and dispersion, as well as a lack of systematization. Combining value Co-creation and value Co-destruction is uncommon in the literature, and a single case study is insufficient to fully reveal the mechanism of value Co-creation and value Co-destruction formation. To address this point, this paper integrates value Co-creation and value Co-destruction based on a review of prior related literature in order to improve our understanding of the relationship between value Co-creation and value Co-destruction and to pave the way for our subsequent study.

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2. The Related Concepts of Value Co-destruction

2.1. The Concept of Value

In economics, use value and exchange value are the embodiments of value, but the study of value Co-creation focuses exclusively on use value. Different research perspectives define and focus on value differently: in the customer experience and service dominant logic perspectives, value is considered to be created by customers during the value use process, with a value on customer perception; in the service science perspective, value is created through interaction during the process of integrating system resources, with a value on use value and contextual value; and in the service ecosystem perspective, value is considered to be created by the service ecosystem. In economics, value is defined as the difference between benefit and cost; there are positive and negative values in this sense, and during the value creation process, "positive value" refers to value Co-creation, while "negative value" refers to value Co-destruction.

2.2. The Concept of Value Co-destruction

This paper introduces the word "value Co-destruction" in its translation; however, when we searched for the keywords "value Co-destruction" and "value Co-destruction" on the websites of Zhiwang and Wanfang, respectively, we discovered only a few relevant articles; the number is small, and comparing domestic and foreign research separately is pointless; thus, we will not compare domestic and foreign research separately. Plé and Chumpitaz (2010) [1] proposed the concept of value Co-destruction based on service-dominant logic. They defined value Co-destruction as an interactive process between a business and its customers that results in a decline in the welfare of at least one party for both the business and the customer. This definition indicates that value Co-destruction occurs during the value Co-creation process, that resource mismanagement is the primary cause, and that a decrease in well-being is the sign, and that a decrease in well-being indicates that the value of at least one party does not reach the desired level. Smith, Vafeas, and colleagues improve the definition's accuracy by incorporating value reduction, unequal distribution, and suboptimal value perceptions.

Value Co-destruction has the following characteristics: first, the study of value Co-destruction originates from value Co-creation, and value Co-creation and value Co-destruction exist and receive attention as two opposing outcomes; second, there are many participants and form complex value networks, and they form complex value networks with multiple subjects, and changes in any element of the network or the environment cause changes in the whole network; third, it is generated by interaction, and like value Co-creation, value Co-destruction occurs during the interaction of value creation; fourth, it is perceivability, and value Co-destruction may or may not be perceived, and studies have focused on value Co-destruction that can be perceived.

2.3. The Concept of Value Co-creation

Vargo and Lusch (2008) argue that in a service-dominated logic, value is created through the interaction of multiple systems that integrate and apply their own resources as well as those of other systems, and define value as "the enhancement of system welfare." Thus, value Co-creation refers to the process by which suppliers and customers integrate their resources: Through interactions and diverse contextual experiences, customers co-create value with the organization, resulting in system welfare improvements. The distinction between value Co-creation and value Co-destruction is that value Co-creation refers to the process's positive side, i.e. welfare improvement, whereas value Co-destruction refers to the process's negative side, i.e. welfare decline or deviation from expected welfare.

Value Co-creation possesses the following characteristics: first, the participating subjects evolve from the initial dualistic relationship between enterprises and customers to multiple

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relationships, and the value Co-creation system becomes increasingly open; second, it possesses systemic characteristics, and the value Co-creation system is viewed as an open, complex, and dynamic network system with a dynamic structure of loose coupling among subjects; the third is to emphasize resource endowment, and participants will participate in value Co-creation with their own resources; fourth, the core content is the interaction of participants, which is simultaneous, dialogue and interlaced.

3. Causes of Value Co-destruction

The causes of value Co-destruction are a current area of research, and preliminary findings have been published. However, the research method is still in the description stage of induction.

For instance, from a behavioral perspective, its primary research is conducted on participant misbehavior, which includes consumer misbehavior, employee misbehavior, and corporate misbehavior. Consumer misconduct has gotten a lot of attention in recent years. Kashif and Zarkada (2015) [2] discovered that consumer misconduct affects the mood and ability of frontline employees to perform their duties, causes stress and burnout among frontline employees, reduces frontline employee productivity and turnover, and erodes the company's reputation. Consumer misconduct includes verbal abuse, threats, disrespect, violence, unfairness, and cutting in line. Employee malfeasance can have an effect on value Co-destruction. By analyzing negative reviews, Sthapit and Bjrk (2019) [3] investigated the antecedents that contribute to value Co-destruction. The findings indicate that driver misbehavior (e.g., tardiness, offensive language, poor communication, and overcharging may deprive customers of experiencing value during the interaction) and poor customer service (e.g., poor service, poor customer service, poor communication, and lack of human contact) leave customers without the desired information, with a low sense of self-efficacy, and rude customer service may damage customers' self-esteem.

On the other hand, Jmour and Hmida (2017) [4] examined the causes of value Co-destruction in virtual communities from a practical standpoint and discovered that inappropriate behaviors such as corporate injustice, dishonesty, fraud, theft, deception, shaming, and opportunism can result in value Co-destruction. Along with misbehavior, consumers' complaining behavior contributes to value Co-destruction. For instance, widespread use of social media has increased customers' opportunities to participate in value Co-creation, but also increases the possibility of value Co-destruction by tourists. Dolan et al. (2019) [5] discovered that tourists generally complain for three reasons: problem-solving, support, and social engagement. When a business's practices result in customers defeating or failing to achieve the relevant purpose, this is referred to as value Co-destruction. Additionally, showrooming as a form of resource abuse that extends beyond normative shopping search behavior, and thus consumer showrooming behavior, creates the possibility of value Co-destruction. It is defined as a phenomenon in which shoppers visit a channel intentionally to inspect and research an item prior to making a purchase. Daunt and Harris (2017) [6] argue that consumer showroom behavior is associated with value Co-destruction because consumers intentionally take value from insiders but do not return it to the company they care about, thereby misusing the showroom's service resources for the company.

It can be seen that current research on value co-detruction from the perspective of participants' behaviors focuses primarily on the negative behaviors of customers, employees, and companies, but the service system contains multiple roles, and the behavior of any one of them can influence the outcome of the interaction, and the behaviors of other stakeholders such as power struggles between partners and role ambiguity are understudied. In the future, the study may include additional role behaviors.

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4. Conclusion

The preceding discussion demonstrates that, while current research on value Co-destruction has produced some results, the body of knowledge on the concept is sparse, and scholars hold disparate views on the causes of value Co-destruction, there is less variation in the concept's explanation. While the majority of scholars agree with Plé and Chumpitaz's (2010) definition, some scholars question the concept of value Co-destruction; for example, Vafeas et al. argue that the term "value reduction" better captures its essence. Because the outcome of value Co-destruction includes not only the actual reduction in value but also the deviation from expected value, this paper prefers to refer to value Co-destruction as a process. Scholars have also compared and contrasted the related concepts of value Co-destruction and the conversion relationship, but there are fewer related studies. On the basis of the preceding, we can refine the definition of value Co-destruction as follows: Value Co-destruction occurs when the welfare of at least one party is harmed as a result of insufficient resources, resource mismanagement, or inconsistent practice elements in the firm's direct or indirect interaction with the customer.

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