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This is a Final draft version of a publication
published by Elsevier
in Scandinavian Journal of Management

DOI: 10.1016/j.scaman.2018.01.002

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Please cite the publication as follows:

Järvi, H., Kähkönen, A.-K., Torvinen, H. (2018). When value co-creation fails: Reasons that lead to value co-destruction. *Scandinavian Journal of Management*, vol. 34, issue 1. pp. 63-77. DOI: 10.1016/j.scaman.2018.01.002

**This is a parallel published version of an original publication.
This version can differ from the original published article.**

WHEN VALUE CO-CREATION FAILS: REASONS THAT LEAD TO VALUE CO-DESTRUCTION

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INTRODUCTION

It's all about value creation—or is it? Research on value creation and value co-creation has increased in recent decades; however, interest in the destruction of value in relationships has now emerged. Researchers have increasingly examined issues related to the dark side of relationships, such as risks, power and value co-destruction. For example, the *Journal of Marketing Management* has a forthcoming special issue on the topic of the dark side of marketing. Additionally, service experts have emphasized the importance of understanding negative outcomes of collaboration and where they stem from (Ostrom, Parasuraman, Bowen, Patricio, & Voss, 2015).

Value co-destruction implies that not all relationships and interactions result in positive or value-creating outcomes; sometimes, the relationships even result in negative outcomes (Echeverri & Skålen, 2011; Plé & Cáceres, 2010). Value co-destruction has been defined as “an interaction process between service systems that results in a decline in at least one of the system's wellbeing (which given the nature of the service system can be individual or organizational)” (Plé & Cáceres, 2010, p. 431). Thus, value co-destruction refers to a failed interaction process that has a negative outcome. Value co-destruction can emerge, for example, when the actors involved in a relationship do not possess a certain resource (Smith, 2013), such as information (Vafeas, Hughes, & Hilton, 2016). Value co-destruction can also emerge if actors do not integrate the resource they possess (Plé & Cáceres, 2010; Robertson, Polonsky, & McQuilken, 2014). Thus, value co-destruction emerges due to different reasons or antecedents, such as an absence of information or inadequate communication (Vafeas et al., 2016). The failed interaction process leads to a decline in well-being, which can take the form of frustration or lost resources, such as money or other intangible or tangible losses (Prior & Marcos-Cuevas, 2016; Smith, 2013). The decline in well-being can be so significant that parties may not want to collaborate with each other in the future (Mele, 2011; Prior & Marcos-Cuevas, 2016). Despite the growing significance of and interest in value co-destruction, understanding of the antecedents that initiate value co-destruction remains limited.

Current research still focuses on customer actions leading to value co-destruction or on the customer's perspective on value co-destruction (Smith, 2013). The customer and the provider can have very different perceptions of what actions or behaviors result in positive or negative

results (Vafeas et al., 2016). Thus, taking the provider's point of view offers important notions about what providers perceive as actions that initiate the failed interaction process and allows us to compare those insights with existing research (Prior & Marcos-Cuevas, 2016; Vafeas et al., 2016). The current understanding of value co-destruction stems from studies conducted with private companies. To broaden the perspective, discussions of public services have recently acknowledged the existence of value co-destruction. Although any collaborative action with the end users of public services (i.e., the public) is likely to have positive and negative effects on the value created (Alford, 2016), further insight into value co-destruction in the public sector environment is absent (Osborne, Radnor, & Strokosch, 2016). Studying value co-destruction in different industries will provide a more comprehensive picture of the phenomenon, which previous studies have called for (Echeverri & Skålen, 2011; Prior & Marcos-Cuevas, 2016; Vafeas et al., 2016).

To understand value co-destruction, we seek inspiration from value co-creation literature. Value co-creation can be seen through three different processes: the customer process, the joint value creation process (or the service encounter) and the provider process (Grönroos & Gummerus, 2014; Payne, Storbacka, & Frow, 2008). This implies that the provider and the customer need to prepare for the interaction in their own processes. For example, the provider needs to have enough staff on hand to execute the service encounter (e.g., Morosan & DeFranco, 2016). The customer, however, needs to be aware of his, her, or its needs to articulate these needs during the service encounter (Prior & Marcos-Cuevas, 2016). In addition to pre-interaction activities and the actual interaction, actors need to execute post-interaction activities. For example, the customer offers feedback directly to the provider if something went wrong, and the provider delivers the goods that were bought during this service encounter (Celuch, Robinson, & Walsh, 2015; Payne et al., 2008). Thus, the customer and the provider prepare for and execute their collaboration at different time points: before, during and after the interaction (Grönroos & Voima, 2013). Therefore, it could be argued that time plays a part in the emergence of value co-destruction because both parties need to prepare for the collaboration, participate in the collaboration and then engage in tasks after the collaboration. These tasks should be conducted successfully, in order to avoid value co-destruction. Chowdhury, Gruber, and Zolkiewski (2016) proposed that value co-creation and co-destruction exist at the same time. Thus, adopting a temporal lens can help in developing a richer understanding of the phenomenon (here, value co-destruction), because this lens can enrich our understanding of change and provide a new mechanism of interest (Kunisch, Bartunek, Mueller, & Huy, 2015).

Therefore, in this paper, we investigate three issues: the reasons for value co-destruction, their temporal nature and in what kinds of relationships these reasons emerge. To put these issues in specific terms, we ask the following research questions: 1) *What are the reasons for value co-destruction from the provider's perspective*, and 2) *when and in what kinds of relationships do the reasons identified for value co-destruction emerge?* We set out to study value co-destruction in different types of relationships: the business-to-consumer (B2C), business-to-business (B2B), business-to-government (B2G) and government-to-consumer (G2C) markets. Because our interest is in value co-destruction, we investigated the reasons that result in the

failed *interaction process* that takes place between the provider and the customer in these different types of relationships. The collaboration or interaction can happen during a long-term project or a purchasing process; however, we are interested in the collaboration angle. Thus, we focused on the *reasons* that lead to value co-destruction that can *emerge before, during or after the interaction and in different relationship types*.

We draw our findings from a qualitative study based on 19 interviews conducted in seven organizations. The findings suggest that the reasons for value co-destruction are the absence of information, an insufficient level of trust, mistakes, an inability to serve, an inability to change, the absence of clear expectations, customer misbehavior and blaming. The results bring up new notions of value co-destruction and additionally, confirm current literature (e.g., Echeverri & Skålen, 2011; Kashif & Zarkada, 2015; Vafeas et al., 2016). We also place these reasons on a timeline and identify when they can initiate the failed interaction process (i.e., value co-destruction): before or after or if they are time-independent (meaning they can take effect at any point). Thus, we contribute to the present value co-destruction discussion by recognizing how different reasons or antecedents relate to different time points during collaboration. We also discuss the findings in terms of their relationship type, thus contributing to current research by offering viewpoints from several different types of relationships. Therefore, understanding the aspects of relationships or the actions that result in value co-destruction, and their temporal and relational dimensions, will provide important insights for managers to use to interact and manage relationships with their customers in the most valuable way.

After the introduction, we move on to the conceptual background and discuss value co-creation and co-destruction. Then, we present the research method. This section is followed by the presentation and discussion of the findings. We conclude the paper with our contribution to theory, managerial implications and proposals for future research.

CONCEPTUAL BACKGROUND

Value

The concept of value is at the heart of the business literature, and different definitions have been provided. For example, value can be identified as a means-end outcome, a function of benefits versus sacrifices or as contextual and experimental (e.g., Gummerus, 2013; Holbrook, 1994; Woodruff, 1997; Zeithaml, 1998). Value as means-end implies that value consists of different levels, ranging from the lowest to the highest: product attributes, performance attributes and goals and purposes (Gummerus, 2013; Woodruff, 1997). Value, whether created by a provider for itself or for a customer through products and services, refers to goals that both parties, the customer and the provider, wish to accomplish through either the provider's own operations or products the customer uses (Woodruff, 1997). Value can be defined as benefits versus sacrifices, which in the simplest form means that value is a customer's assessment of (service) quality over costs (Zeithaml, 1998). Additionally, value is always defined and viewed by the actor in the particular social system (Edvardsson, Tronvoll, & Gruber, 2011; Lusch & Vargo, 2014). In this paper, we adopt a hybrid definition for value. We define value as benefits versus sacrifices and expand this definition to include the provider and the customer. Thus,

value is an actor's assessment of quality over costs. In addition, following Holbrook (1994), we see value as context-specific.

Value creation and co-creation

Value creation occurs within three different spheres or processes: the provider sphere, the joint sphere (the encounter process) and the customer sphere. In the provider process, the provider utilizes resources, processes and practices to manage its business and relationships with customers and other relevant stakeholders (Payne et al., 2008). Activities performed by the provider in the provider sphere result in outputs that customers may use in their value creation process (Grönroos & Voima, 2013). In the customer sphere, customers “*independently create value and may socially co-create value with actors in their ecosystem*” (Grönroos & Gummerus, 2014, p. 209). Value creation in the customer sphere can be referred to as independent value creation (Grönroos, 2011). In the joint sphere (or the encounter process), the provider and the customer interact and thus, engage in value co-creation (Grönroos & Gummerus, 2014; Payne et al., 2008). Value co-creation refers to a resource integration process between the provider and the customer (Aarikka-Stenroos & Jaakkola, 2012; Vargo & Lusch, 2008). It can take place in a service market context (Chang, Chih, Chew, & Pisarski, 2013; Elg, Engström, Witell, & Poksinska, 2012), where the service and value are co-created in the joint sphere; in a product-oriented market context, where the product is produced beforehand, but the service or experience is co-created alongside the value (Andreu, Sánchez, & Mele, 2010); and in the B2C and B2B sectors and between firms and public actors or vice versa. Depending on the point investigated, either the context or relationship type needs to be considered (Chandler & Vargo, 2011; Lusch & Vargo, 2014). In order to emphasize the different relationship types, we discuss aspects of the B2C, B2B and public markets next.

In the *consumer market*, value co-creation emerges when, for example, dialogue, customer engagement, self-service, customer experience, problem-solving, co-designing and co-developing are present (Alexander & Jaakkola, 2016; Gebauer, Johnson, & Enquist, 2010; Minkiewicz, Evans, & Bridson, 2014; Prahalad & Ramaswamy, 2004). They are the antecedents of value co-creation. B2C product markets, in particular, have been previously seen in such a way that the customer is merely a passive receiver, not a contributor (Vargo & Lusch, 2008). However, B2C interactions are evolving into collaborations in which the provider considers the consumer more and allows the customer to participate in actions that were previously out of the consumers' reach, such as designing products together (Gebauer et al., 2010). Scholars have argued that consumers should be involved before and after the actual experienced interaction (Dong, Evans, & Zou, 2008; Edvardsson, Enquist, & Johnston, 2005). In both cases, customers perceive that a firm finds their input important, thus emphasizing the experience aspect of value co-creation.

In *B2B relationships*, value co-creation refers to the interaction between the providing firm and the purchasing firm. In this relationship type, value co-creation can be seen as a chain reaction; value co-creation takes place between a provider and certain customer network actors and between a provider and its network and a customer and his or her network (Cova & Salle, 2008). Research suggests that the antecedents of value co-creation in B2B relationships include

closeness, trust, transparency and rapport (Jaakkola & Hakanen, 2013). In B2B industries, the focus is co-creating solutions to solve customers' problems (Chang et al., 2013; Macdonald, Kleinaltenkamp, & Wilson, 2016). This focus is closely linked to value co-creation in the B2C market. The difference is that in not all B2C interactions is the customer truly part of the problem-solving process: The customer describes his or her problem, and the provider offers a solution (Vargo & Lusch, 2008). In B2B markets, the firm's problems are usually larger and more complex compared to B2C interactions; thus, the customer must participate actively in the problem-solving process (Aarikka-Stenroos & Jaakkola, 2012; Vafeas et al., 2016). Customers provide information about their problems, preferences and business goals, which play an important role, especially when co-creating solutions for these customers (Jaakkola & Hakanen, 2013)

In *public management*, a field that is closely linked to and overlaps with value co-creation, the discussion centers on the term public service co-production. Public service co-production is defined by Osborne, Radnor and Strokosch (2016: 640) as "*voluntary or involuntary involvement of public service users in any of the design, management, delivery and/or evaluation of public services.*" Just as co-creation engages consumers as value co-creators (Grönroos & Voima, 2013), public service co-production increases the service user's role from a value receiver to a co-designer and co-producer of the service received (Bovaird & Loeffler, 2012). Different from traditional B2C relationships, service providers in the public sector must manage two types of value: private value in serving the needs of individual clients and public value in responding to the social needs of the wider public (Alford, 2002; Hartley, 2005). In addition, value co-creation in organizing public services takes place not only in the interaction between the end customer and the public service provider but also most often in cross-sector collaboration between a range of stakeholders from the public, for-profit and non-profit sectors (Hartley, Sørensen, & Torfing, 2013). Thus, in the present paper, we emphasize the relationship-specific nature of value; no matter who provides the public service, the value experience is assessed in the end by the involved co-creator, that is, the end user of the public service (Torvinen & Ulkuniemi, 2016).

When a provider and a customer collaborate, the provider's interactions may have a positive or negative influence on a customer's value, or the interactions might not have any influence at all (Grönroos & Voima, 2013). The outcome can be "no creation," a neutral outcome that neither increases nor decreases the parties' well-being (Makkonen & Olkkonen, 2017). This addition to the current value co-creation literature is much needed, because most scholars assume that collaboration among actors always leads to a positive outcome (Lehrer, Ordanini, DeFillippi, & Miozzo, 2012; Nambisan, 2002), when this is not always the case. In an industrial collaboration, the actors work together intensively to solve customers' problems. However, this collaboration might lead to the provider feeling that it is not in control and is losing its autonomy (Lehrer et al., 2012). Therefore, the provider can experience that the interaction is not successful and can experience frustration and other negative tangible or intangible outcomes. In the customer process (Grönroos, 2008; Payne et al., 2008), the customer can perform actions on the product that the provider did not anticipate, such as not maintaining a purchased industrial machine properly or storing a sensitive food item incorrectly. Then the

interaction process fails, because the firm expected that after a successful interaction the customer would maintain the product properly. The customer, therefore, can negatively affect the provider's value perception outside the provider's reach and after the interaction has taken place. In the public sector, practitioners are not always certain who their actual end customer or user is, which makes it hard for them to know whose needs to satisfy (Bovaird, 2007; Lusch & Vargo, 2014). This lack of information might have long-term impacts because the collaboration counterpart is not clear from the start. Thus, researchers have recently identified that a collaboration and an interaction between a provider and a customer might not always lead to positive outcomes; the result might be a failed interaction (Echeverri & Skålen, 2011; Lehrer et al., 2012).

Value co-destruction

Before addressing value co-destruction, we briefly discuss value destruction and how it differs from value co-destruction.

In the service literature, value destruction has been described as a service failure. The term refers to “*service performance that falls below a customer's expectations*” (Hess, Ganesan, & Klein, 2007, p. 80). Reasons behind service failure include the customer perceiving that the core of the service is faulty or not up to expectations or employees treat customers in a rude or unfriendly way (Hess et al., 2007). A service failure can cause an increase in customer defection, dissatisfaction and increased costs (Cheung & To, 2016; Lewis & McCann, 2004). Service failure, or value destruction, focuses on a provider's actions toward the customer, implying that value destruction is unilateral (meaning the provider's processes fail and the customer experiences dissatisfaction because of this failure). Value co-destruction focuses on collaboration among actors instead of value destruction's approach to one-way delivery of the provider's products to customers. Value co-destruction is interactional between a firm and a customer (Prior & Marcos-Cuevas, 2016). If a customer experiences a service failure, then value destruction is present. However, if a customer reacts to this service failure, for example, by complaining on social media (thus affecting the provider's brand and image), then value co-destruction is said to be present (Plé & Cáceres, 2010). The value destruction experience causes the customer to react in a manner that negatively influences the provider. This collaborative emphasis of value co-destruction suggests that each actor plays an important role regarding whether value co-destruction emerges or not (Echeverri & Skålen, 2011; Prior & Marcos-Cuevas, 2016).

Value co-destruction refers to a interaction process that can happen due to failed resource integration (Plé & Cáceres, 2010; Vafeas et al., 2016). When collaborating parties fail to integrate the resources they possess, the interaction process between the parties can fail (Plé & Cáceres, 2010). Thus, value co-destruction is closely connected to value co-creation, which refers to a resource integration process between the provider and the customer (Aarikka-Stenroos & Jaakkola, 2012; Vargo & Lusch, 2008).

The failed resource integration process can have different forms. For example, if a firm provides information (a resource) for a customer on how to use a product, but the customer

fails to turn this information into knowledge (an operant resource), then the two actors experience resource misalignment, which results in one or both parties perceiving a decline in well-being, such as frustration or lost money. These resources can be misintegrated or misused intentionally or unintentionally (Plé & Cáceres, 2010; Vafeas et al., 2016). In addition, if the actors experience a loss of resources, then the lost resource impacts their well-being in a negative way. Then value co-destruction is present because the interaction between the customer and the firm was not successful (Prior & Marcos-Cuevas, 2016; Smith, 2013). For example, if a customer purchases a product but feels that he or she received less than had been expected, then the customer loses money (resources) and thus, experiences value co-destruction through losing more than what was received. The decline in well-being refers to intangible matters (such as negative feelings) and tangible matters (such as lost resources, e.g., money). Just as value co-creation is dependent on the relationship type, so is value co-destruction, because the resource integration process always takes place in an explicit type of relationship (Makkonen & Olkkonen, 2017). Therefore, in this paper, we define value co-destruction based on Plé and Cáceres's (2010) and Makkonen and Olkkonen's (2017) work as a failed interaction process that results in at least one actor's decrease in well-being and takes place in a specific type of relationship (Akaka, Vargo, & Schau, 2015; Holbrook, 1994). Thus, the concept of value co-destruction entails the process and the outcome. Next, we discuss the antecedents of value co-destruction in the three types of relationships.

In the *consumer market*, value co-destruction emerges when customers misbehave (Echeverri & Skålen, 2011; Kashif & Zarkada, 2015). Misbehavior causes the company's front-line employees to experience mental stress and other negative feelings (i.e., the employees experience a decrease in well-being) (Echeverri, Salomonson, & Berg, 2012; Kashif & Zarkada, 2015). Customer misbehavior can happen in offline service situations, as well as in online interactions. The rise of social media and the ease of reviewing an experience in negative and positive ways are shifting the balance of power from firms to consumers (Chintagunta, Gopinath, & Venkataraman, 2010; Karakaya & Barnes, 2010). Previously, firms had better control over what was said about their products and services, and negative comments were mainly passed on orally between friends and family members (Pee, 2016). However, social media have made reviews easily accessible, and firms have little power to control the reviews (Ahmad & Laroche, 2017; Pee, 2016). Customers have more ways to demonstrate behavior that will negatively impact the firm, such as posting a negative review on a firm's Facebook page or on the TripAdvisor website which will harm the firm's image in the eyes of other customers (Pee, 2016; Plé & Cáceres, 2010).

Before or after the interaction, some of the tasks previously performed by firms are now performed by customers. These changes require that the provider and customers modify their actions and behavior accordingly. For example, a firm could shift some tasks from its process to the customer process (i.e., self-service) and then expect customers to embrace this change (Grisseemann & Stokburger-Sauer, 2012). If customers refuse to embrace this change, the interaction between the parties fails (Hollmann, Jarvis, & Bitner, 2014). However, if the provider does not consider emerging consumer trends and change according to them,

consumers do not receive products and services that they find desirable (Jones, Brown, Zoltners, & Weitz, 2005).

In *business-to-business relationships*, value co-destruction emerges when actors face the absence of trust, inadequate communication, inadequate coordination, inadequate human capital and a power or dependence imbalance (Vafeas et al., 2016). Additionally, current research suggests that customers can experience value co-destruction through goal prevention or net deficit. When actors perceive that they cannot meet their expectations, needs or goals in a collaboration, they face goal prevention. For example, if a customer has developed unrealistic expectations based on previous interactions with the firm or other firms, then the firm cannot meet these expectations. Then the interaction between the two parties can be threatened from the start, because the firm cannot meet these unrealistic expectations (Ojasalo, 2001; Prior & Marcos-Cuevas, 2016). Both parties could experience that they cannot meet their goals, because the customer cannot receive what he or she wanted and the firm cannot deliver what the customer wanted. From the other side, if a customer fails to express clearly its expectations for an upcoming collaboration, then it is almost impossible for the firm to meet these expectations. On the other hand, when actors experience that they lose more than gain in a collaboration, they perceive a net deficit (Prior & Marcos-Cuevas, 2016). When the actors involved in an interaction or collaboration face goal prevention, a net deficit or both, they experience value co-destruction. The actors might have very different goals, which will make it hard for all parties to achieve their goals, especially if they conflict. This conflict might lead to the coexistence of value co-creation and co-destruction; one party is able to achieve its goals while the other party is not (Prior & Marcos-Cuevas, 2016). Thus, value co-creation and co-destruction can exist at the same time (Chowdhury, Gruber, & Zolkiewski, 2016). When the goals are the same or heterogeneous, value co-creation is a likelier outcome (Prior & Marcos-Cuevas, 2016). In a network setting, negative outcomes can emerge during various stages between different firms and customers in the value chain (Gupta, Vääätänen, & Khaneja, 2016).

Co-production of *public services* is based on service experiences created by the public instead of for the public (Bovaird & Loeffler, 2012). Alternatively, value co-destruction takes place when the public's involvement and contribution diminish the public value formed to generate bad or even evil outcomes (Alford, 2016). Recently, failed co-production efforts in the public sector environment have also been described with the term public service failure or public value failure. The first term represents the failure or perceived failure of a public organization to deliver services to the customer according to established norms (Van de Walle, 2016). The second term, public value failure (described by Williams, Kang and Johnson, 2016), occurs in four dimensions adapted from Plé and Cáceres's (2010) seminal research article: 1) misuse of a user's resources by the user, 2) misuse of a user's resources by the provider, 3) misuse of the service provider's resources by the provider or 4) misuse of the service provider's resources by the user. Important for present and future studies is that public services fail differently from private ones, and a further comparison between the two is needed (Van de Walle, 2016). In Table 1, we summarize this discussion about the antecedents of value co-creation and co-destruction.

Table 1. Value co-creation and co-destruction in different types of relationships

	B2C interactions	B2B interactions	Public actor interactions
Value co-creation	Value co-creation can emerge when, for example, dialogue, customer engagement, self-service, customer experience, problem-solving, co-designing and co-developing are present (e.g., Alexander & Jaakkola, 2016; Gebauer et al., 2010).	Value co-creation emerges when closeness, trust, transparency, rapport, information and problem solving are present (Aarikka-Stenroos & Jaakkola, 2012; Jaakkola & Hakanen, 2013).	Value co-creation emerges when voluntary or involuntary involvement of service users in any of the design, management, delivery or evaluation of the public service is present (Osborne et al., 2016).
Value co-destruction	Value co-destruction emerges due to customer misbehavior (Echeverri & Skålen, 2011; Kashif & Zarkada, 2015), which can lead to decreased well-being of the firm's employees.	Value co-destruction emerges, for example, when actors face the absence of trust, inadequate communication, inadequate coordination, inadequate human capital and a power or dependence imbalance (Vafeas et al., 2016).	Value co-destruction emerges when the public's engagement diminishes the value formed generating bad or negative outcomes and occurs due to failures in delivering services according to established norms and misuse of provider or user resources (Alford, 2016; Van de Walle, 2016; Williams et al., 2016).

METHODOLOGY

Research approach and process

In this paper, we focused on understanding what antecedents result in the emergence of value co-destruction and the relationship type and temporal aspects of these reasons. We utilized the provider's perspective in this study, due to the lack of studies on how providers perceive the emergence of value co-destruction. A provider's perception of value co-destruction can be vastly different from a customer's perspective; thus, studying value co-destruction from the provider's perspective allows us to dive deeper into their point of view. We rely on the abductive research approach which is considered a fruitful approach if the researcher's objective is to discover new things regarding the phenomenon in question (e.g., Dubois & Gadde, 2002). Abduction is the systematized creativity or intuition for developing new knowledge where particularities can be distinguished from generalities, and thus, it is suitable for the first phase of research (Danermark, Ekström, Jakobsen, & Karlsson, 2005; Kovács & Spens, 2005). Abduction aims to understand something in a new way (Dubois & Gadde, 2002; Kovács & Spens, 2005) which makes it suitable for exploring less studied phenomena in new contextual settings. Due to the topic of this paper and the research gap identified, the abductive approach was seen as the most suitable.

Our research draws from 19 interviews conducted at seven organizations operating in Finland. These companies and public organizations operate in the B2B, B2G, B2C and G2C markets. The case organizations represent different kinds of organizations and thus, provide complementary viewpoints from different industries which was the aim of the sampling logic when we selected cases. Choosing organizations from different industries, both private and public, that operate with consumers and industrial clients offers more insights into the

phenomenon, rather than exploring it in a single industry, company or public actor. Thus, the aim was to cover the private and public sectors. The case companies and organizations in question might have provider–customer relationships with each other; however, that was not the focus of this study. The case companies were studied from the perspective of providers for different consumers, companies or municipalities. Analyzing the organizations in question made it possible to gather viewpoints from different perspectives from different types of relationship which was important for the aims of this study.

Data collection

The main data collection technique was semi-structured interviews. They entail a fixed set of questions; however, additional questions can be introduced in the discussion to further elaborate a given topic (Cachia & Millward, 2011). Semi-structured interviews are favored over structured, because they allow more leeway to follow up on whatever angles are seen as important by the interviewer, and are favored over unstructured as they allow the interviewer to have a greater say in the conversation (Leavy, 2014).

We chose to interview personnel who perform supply- and marketing-related tasks in their respective firms. Supply and marketing personnel’s work differs; thus, they interact at different intensities with the firms’ customers. Selecting informants from different positions allowed us to develop richer insights into the studied phenomena (Salonen & Jaakkola, 2015). Using multiple respondents also provided an opportunity to confirm information from another source, increasing the validity of the results (Golden, 1992). In most of the companies, the informants from the supply side were sourcing managers. On the marketing side, the informants’ tasks were related to marketing, sales and brand or customer relations. A list of the informants is presented in Table 2. Most of the marketing personnel interact directly with their customers through different channels, either in face-to-face interaction or through social media channels, for example. Sourcing managers interact with the firm’s suppliers and only occasionally with customers or consumers.

Table 2. List of interviewees

Company	Interviewee
Municipality (C1)	Sourcing Manager City Engineer
Public services company (C2)	CEO
Public services company (C3)	Sourcing Manager Head of Branch Solutions Contract Attorney
Industrial application provider (C4)	Material Management Manager Marketing Manager
Construction company (C5)	Head of Consumer Experience Development Head of Residential Construction Profit Center
Aviation service company (C6)	Corporate Sourcing Manager Head of Service Development
Food industry company (C7)	Senior Sourcing Manager Brand Development Manager

During the spring of 2015, we conducted 14 face-to-face interviews in seven organizations. Each interview lasted between 55 minutes and 95 minutes, and all interviews were recorded and transcribed. The interview guide for the first round included other topics in addition to value co-creation and co-destruction (such as customer engagement and sustainability) and eight questions specifically about value co-creation and co-destruction. This decision was made because we were uncertain how the informants would react to such a negative topic. During the interviews, it became clear that the informants were willing to discuss negative issues as well; thus, we added questions outside the interview guide during the interview. We deemed a follow-up interview was necessary to ensure rich and rigorous data especially on value co-destruction, and during the data analysis of these first interviews, we created several questions about value co-destruction. Thus, we conducted five follow-up interviews to ensure rich and rigorous data, which brought the total number of interviews to 19. These interviews took place between January and February 2016. The interview guides focused on value co-destruction from multiple angles, such as typical situations that left the provider's customers feeling disappointed, what aspects caused different projects or collaborations to fail, how customers can engage in behavior that results in value co-destruction and how the providers themselves can engage in behavior that results in value co-destruction. The interview guides can be found in appendix 1.

Data analysis

In the data analysis, we used abductive methods. We originally built the categories and themes from the bottom up, organizing data into abstract units of information (e.g., Creswell, 2009). However, we modified the suggested framework as a result of the empirical findings and theoretical insights gained during the process. According to Dubois and Gadde (2002: 559), this creates “*fruitful cross-fertilization where new combinations are developed through a mixture of established theoretical models and new concepts derived from the confrontation with reality.*” Following the abductive approach allowed us to form categories for all the information we received from the interviews, get insights from the theory and reflect back to the empirical findings. More specifically, we followed an analytical process, in which we organized the data into first- and second-order codes and then into aggregated, theoretical dimensions (Gioia, Corley, & Hamilton, 2012). This process enhances qualitative rigor, as it demonstrates the progression from raw data to theoretical dimensions (cf. Vafeas et al., 2016; Zimmermann, Raisch, & Birkinshaw, 2015). We read through the interview transcriptions and gave first-order labels to sections of the interviews that described a certain value co-destruction reason or action. After this phase, we organized the first-order codes into second-order codes based on their similarities. Finally, we formed overarching theoretical dimensions based on the second-order codes. The final data analysis framework is illustrated in Figures 1 and 2. After this phase, we analyzed the identified aggregated dimensions through the lens of time and formed the final model, which is presented in Figure 3.

FINDINGS

We identified that value co-destruction emerges due to the following reasons: absence of information, an insufficient level of trust, mistakes, an inability to serve, an inability to change, the absence of clear expectations, customer misbehavior and blaming. Based on these findings, we built the final model, which indicates each reason's temporal dimension (Figure 3). Each reason can result in a failed interaction between actors that causes one or both to experience a decline in well-being, that is, value co-destruction. For example, the inability to change results in either the provider dissatisfied with the customer's inability to adopt new services or the customer dissatisfied that he, or she or it cannot receive offerings according to the latest changes in the market, such as getting more sustainable products. In the final model, we emphasize the temporal aspect of these identified reasons.

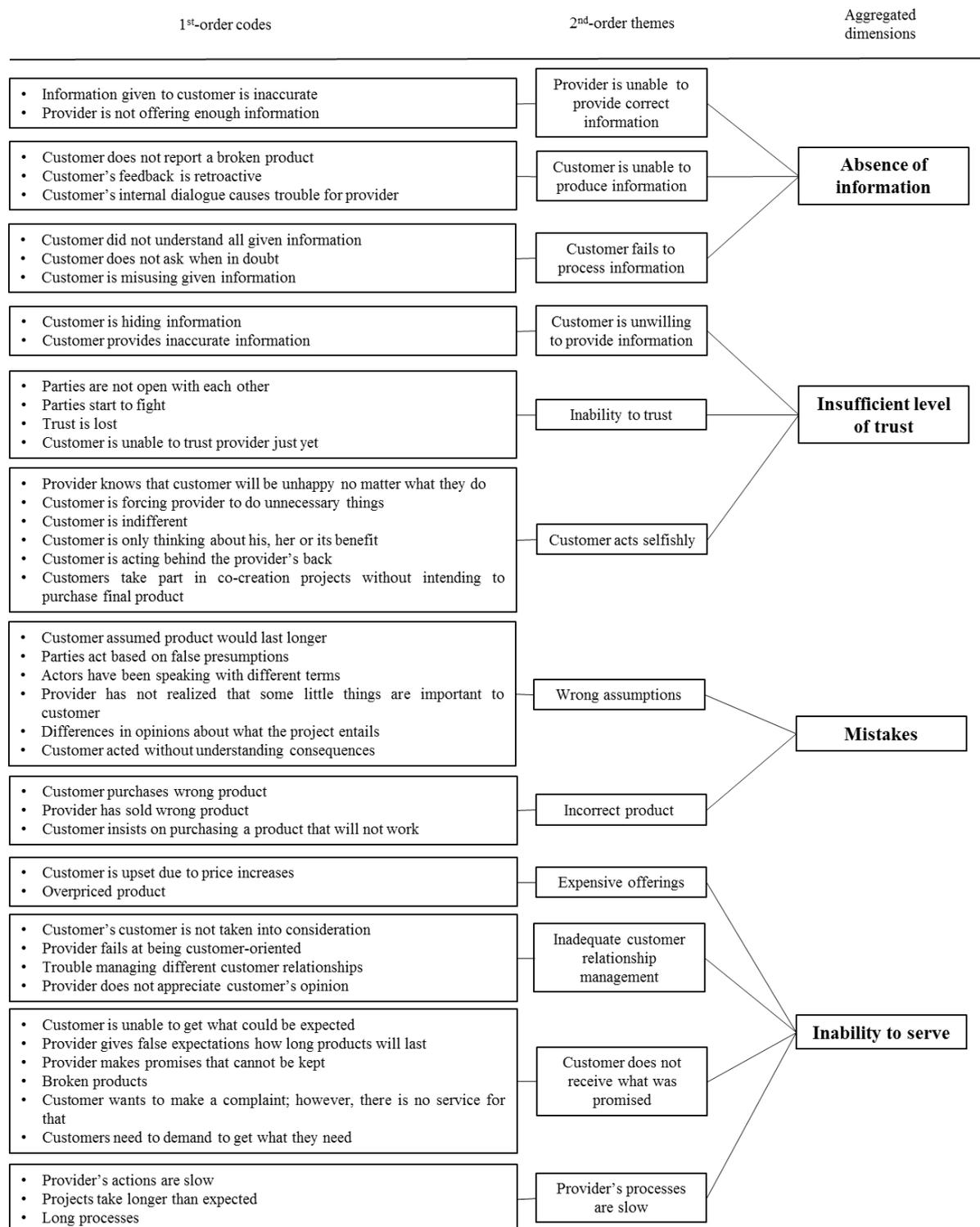


Figure 1. Data analysis framework

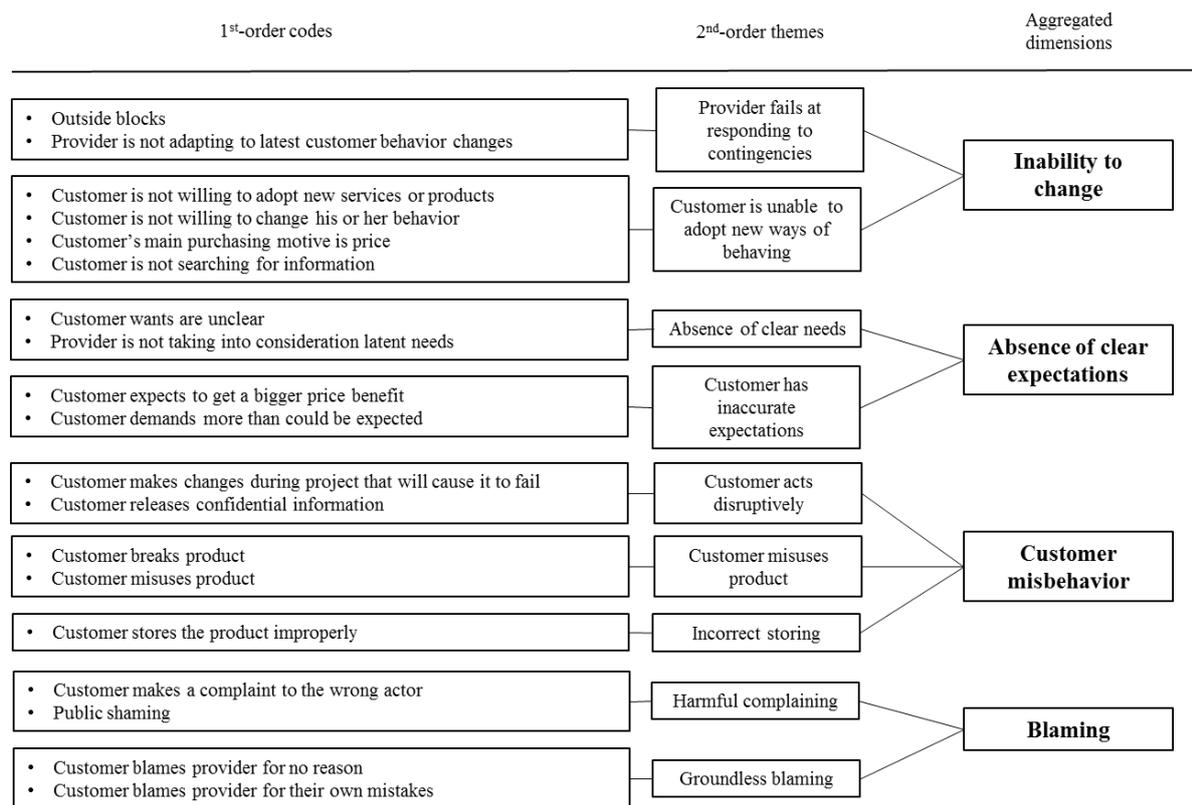


Figure 2. Data analysis framework (continued)

Absence of information

Based on the findings, we argue that the absence of information can cause value co-destruction. The provider and the customer can influence the absence of information. Information plays a pivotal role in all interactions, and if either party is unable to provide or process information, then the interaction between these parties can fail.

The data analysis revealed that in some cases, the *provider is unable to provide correct information*. Informants identified that they offered inaccurate information to their customers through different channels. In other cases, the provider failed to offer enough information to customers, such as how to use a particular product. Incorrect information can lead, for example, to situations in which a customer buys the wrong product based on this inaccurate information or the provider gives incorrect estimates of how long a service will last, affecting the consumer's schedule. A city engineer (C1) described this in the following way: “*We can fail at value creation efforts when we do not tell what we have to offer.*” The provider's inability to provide correct information takes place in consumer relationships, either between a business and a consumer or the government and a consumer.

However, respondents also described how the *customer is unable to produce information*. For the provider, it is problematic if they are not aware that their products malfunctioned or even broke, because the customer fails to report problems. Informants spoke about incidents in which customers reported a broken product or gave general feedback but expressed it after

some time; thus, the provider could not make changes or offer compensation immediately after the problem occurred. The informants stated that customers failed to inform the provider about possible problems unintentionally, meaning the customers forgot or had a more urgent matter to attend to. Based on the data analysis, we argue that this second-order theme happens in B2C and B2G relationships.

Value co-destruction can also take place when the *customer fails to process information*. This behavior can be unintentional or intentional; customers either cannot understand the given information because it is, for example, too technical or in a foreign language, or they simply choose not to read the manual before operating the product. Respondents identified several situations in which a customer had purchased a product, whether an industrial application or a consumer product, and did not read the manual. The head of consumer experience development (C5) explained: “*We offer so much information during the construction process, but we cannot force anyone to read that information and get familiar with it.*” Informants also mentioned that if customers encounter a problem while using a product, they do not contact the firm to find help for the problem. Interviewees felt almost frustrated that their customers do not ask for help when they encounter a problem. The customer’s failure to process information as part of the absence of information emerges in B2C and B2B relationships.

Insufficient level of trust

The second identified reason behind value co-destruction is an insufficient level of trust. If the actors are not able to trust each other, then their collaboration is bound to suffer because, for example, the actors cannot trust that what has been agreed on will be done. The data analysis revealed that an insufficient level of trust is relationship type-specific, because the second-order themes occur in the following way: A customer is unwilling to provide information (B2B and B2G), the inability to trust (B2B and B2G) and a customer acts selfishly (B2C, G2C and B2G).

The findings show that when *the customer is unwilling to provide information*, an insufficient level of trust is present. Unwillingness can be intentional, in the sense that the customer wants to deliberately hide some information. If the customer provides incorrect information, for example, about how the firm will use a certain industrial machine, then the provider is unable to offer a product that will be suitable for that purpose because the initial information was incorrect. For example, a marketing manager (C4) stated: “*If the customer does not respond to everything we ask about, we cannot make the best decision in that situation. Then we are in a situation where some data was false, or it was not told to us in the first place, and we have to decide based on what we know. But then if the product is sent there and it does not work, then we start to think, should we or should we not send spare parts? What is causing that problem?*”

Informants identified that trust is at an insufficient level when one or both actors face *an inability to trust* the other actor. Respondents spoke about incidents in which the outcome was not positive because the parties were not open with each other, and they did not share not all relevant data for various reasons. Informants from industrial and public organizations spoke about situations in which they started a project with a new client, and for some reason, the

client was not able to trust the provider from the start. Parties can experience an inability to trust, for example, due to previous negative experiences with the same or a different provider. Additionally, during a long collaboration, the actors can have strong disagreements that can even result in fights. Then trust can become absent during or even after the project, which can result in the customer or provider not wanting to collaborate with each other in the future.

Finally, the findings reveal that an insufficient level of trust emerges when *the customer acts selfishly*. Informants described how hard it is for them to collaborate with customers who focus on their own benefit. Collaborations are successful when both parties focus on the collaboration and not solely on their personal gain; however, this is not always the case. When customers try to outsource their own tasks to be done by the provider or make important decisions about lengthy projects without notifying the provider, then the value co-creation efforts are bound to fail. One informant (C3, head of branch solutions) described a customer's selfish actions as follows: "*If our customer deliberately starts to undermine a win-win situation in such a way that only the customer will win.*" In addition, one informant mentioned that when a provider launches co-creation projects, customers may participate without any intention of actually buying the final product or service. The provider, however, is really interested in engaging its customers, either current or possible future customers, in building something together.

Mistakes

The findings revealed that mistakes play a key role in the emergence of value co-destruction. We argue that mistakes have a relationship type-independent aspect (wrong assumptions) and a relationship type-specific aspect, because an incorrect product (the second-order theme) is based on insights from business-to-business interviews.

Based on the findings, we propose that mistakes can occur due to *wrong assumptions*. Wrong assumptions can occur when a firm or its customers speak with inaccurate language, meaning the actors use different terms and assume that the other person is using the same terminology, as described by the informants. One informant (C5, head of residential construction profit center) described how the absence of information happens: "*Somehow, we have been talking in different languages, and that is why our objective setting failed.*" Additionally, the provider and the customer can have very different perceptions of what will happen during a collaboration. If a customer has misunderstood the collaboration agenda or not everything was clarified by the provider, the actors can have very different perceptions of what will happen during the collaboration. The interaction can also fail and result in a negative outcome if customers take action without fully understanding the possible result and their own responsibilities.

Mistakes can also happen when *an inaccurate product* is purchased, which can be an intentional or unintentional mistake. It can be a pure mistake, and thus, unintentional. However, a mistake can be intentional in the sense that the customer insists on purchasing a product that will not work in his or her environment. A marketing manager (C4) stated: "*Sometimes, they [customers] want to buy something, and we know based on the information they provided that it will not work. We propose something else, but they insist that they want that specific solution*

for their problem. Then we really cannot do anything except deliver that product even though we know it will break.”

Inability to serve

We argue that value co-destruction emerges when the inability to serve is present. The findings revealed that the inability to serve is independent of the type of relationship. The informants stated that their customers are upset when they are given *expensive offerings*. Customers might feel that the product or service is overpriced, and thus, feel that they are receiving less than they are paying for. If a provider faces pressure to increase a product's price, this increase can feel unjustified to customers, which leads to their disappointment.

Respondents spoke about how their firms demonstrate *inadequate customer relationship management*. A provider can fail to keep its customers at the center of all of the provider's actions and focus too much on the provider's own value, thus forgetting about the value the customer should be offered. A marketing manager (C4) stated: *“Maybe it all comes down to that we focus too much on our own revenue. And we try to optimize our processes so we can make money. But then we forget to think about who brings the money in: the customer. Is this a beneficial change for the customer or not? If not, we should not execute it. So, we should think about all of our development actions through the lens of is this going to offer value for our customer?”* Informants mentioned that sometimes their customers need to push the firms to achieve what was promised. The provider's failure to do what they should be doing is not beneficial for either party. Finally, an issue brought up by the respondents was that they can fail to appreciate their customers. This can happen when companies launch co-creation projects but do not value highly the final product or service produced based on customers' opinions.

The informants described that they can contribute to the emergence of value co-destruction when *the customer does not receive what was promised*. Respondents described that when a customer purchases a product or a service from a firm, the customer possesses justified expectations for the products. However, interviewees explained that sometimes a provider offers false expectations regarding the lifetime of a product, and when the product becomes faulty before this given time point, the customers experience disappointment. In addition, a provider can make promises to a customer that cannot be kept. For example, one member of an organization makes a promise to a customer during the project negotiations and that promise is not transferred to the contract, meaning the customer does not receive what was promised. The chief executive officer (CEO) of a public service provider (C2) stated: *“If someone promised something to our customer that we are going to fulfill, naturally it needs to be in the proposal. If it is not there, the customer will be disappointed with us.”*

Finally, the informants identified that when *a provider's processes are slow* they do not contribute to the emergence of value co-destruction. A provider's internal processes can be slow, which affects, for example, how fast staff members can answer a customer's request, or a product's delivery times can take a long time. In addition, for long projects, the provider can offer a time estimate at the beginning of the project; however, this estimate might turn out to

be inaccurate, due to complications inside the provider's organization or different external reasons, such as labor strikes.

Inability to change

The data analysis revealed that one reason behind value co-destruction is the inability to change. The provider and the customer can fail at changing. A changing business environment, the effect of megatrends and the outcomes of product and service development are contingencies that force the provider and the customer to adapt their behavior accordingly. If either one fails to do so, then the counterparty experiences a decline in well-being, that is, value co-destruction. The findings suggest that the inability to change takes place *in consumer relationships*, either between firms and consumers or between government actors and consumers.

When the *provider fails to respond to contingencies*, the provider is unable to offer the newest services and products to customers. Changing rules and regulations and new competitors are contingencies that companies face, to which they have to respond. In addition, the informants mentioned that if they cannot foresee or adopt new consumer market trends, the providers lose out on many opportunities and cannot provide services and products based on the latest trends.

However, if *the customer is unable to adopt new ways of behaving*, then value co-destruction can occur. Informants from consumer product and service companies spoke about incidents when consumers are not willing to adopt new services. The head of service development (C6) described his frustration with customers' negative attitude toward new self-service machines: "*We cannot force anyone to use the new self-service functions. But they are so easy to use and so helpful that I cannot understand why someone could not understand them. It is an attitude question. It is not about age, and you do not have to be a Digi native to be able to use a self-service machine. And it only helps. They should see that if there is a line for the service desk and no line for the self-service desk, why not use the self-service option that speeds up and streamlines the service experience for everyone?*" If consumers are unwilling to adopt new services that companies have produced for them, then the consumers are undermining the provider's efforts to ease consumers' everyday lives. Providers are looking for ways to cut costs and make their services more efficient. One way to achieve this efficiency is for consumers to adopt new ways to behave in certain service situations. However, if consumers are not willing to search for what services are being offered, then a firm has little chance of making customers happy.

Absence of clear expectations

Another reason for value co-destruction is the absence of clear expectations. When customers do not identify their needs or are unable to express them clearly, it becomes almost impossible for the provider to offer products and services to match those expectations and needs. Thus, both parties experience value co-destruction; customers did not receive what they thought that they wanted, and the provider did not deliver because the expectations were absent or not clearly articulated. The data revealed that the absence of clear expectations has a relationship type-independent aspect (the absence of clear needs) and a relationship type-specific aspect,

meaning this reason occurs in the B2B and B2G contexts (the customer has inaccurate expectations).

The informants pointed out that they are unable to co-create value with their customers if *the absence of clear needs* is present. Informants expressed their concern that their customers do not always clearly or explicitly state their needs, which it makes it hard for the providers to fulfill those needs. If the provider fails to anticipate latent needs, it cannot design offerings based on what customers will need in the future. The head of consumer experience development (C5) explained unclear needs as follows: “*They [customers] do not always know what they want. Those customers who demand the most changes are not our happiest customers.*”

In contrast, *customers can have inaccurate expectations*, which can be based on previous experiences with other providers. Customers might be expecting to get a bigger price benefit, which can occur because the customer did not know or understand that the final price of a project is built from several modules. In addition, customers bring their previous experiences, both positive and negative, from other relationships, and they might expect that because in a previous encounter with a different provider they received a certain number of services, this will be the case with the new provider. Instead, the provider might ask the customer to perform some tasks, which is reflected in a lower price. A CEO (C2) explained that the firm’s public organization customers sometimes expect to get the same prices as in a television advertisement: “*They expected that the price benefit would be greater. They saw a campaign by a consumer goods company and expected to get the same price from us.*”

Customer misbehavior

The findings suggest that customer misbehavior is one reason for value co-destruction. When customers behave in a negative way that the provider did not foresee, the behavior causes unnecessary stress and worry for the provider, thus resulting in a decline in the provider’s well-being. The data analysis revealed that this aggregated dimension has relationship type-independent (the customer’s misuse of the product) and relationship type-specific aspects (the customer stores a product incorrectly in B2C interactions and the customer acts disruptively in B2B and B2G interactions).

Customer misbehavior can happen when *a customer misuses a product*. If the customer chooses to use the product incorrectly, whether a consumer good or an industrial product, then value co-destruction will occur because the customer deliberately contributes to breaking a product and most likely, will blame the provider. One informant stated that the provider can educate and provide information to customers about how to use the product in the most efficient and valuable way; however, if a customer decides for some reason not to do so, then the customer contributes to the emergence of value co-destruction. The head of residential construction profit center (C5) stated, “*We calculate the expected energy consumption for buildings we provide; in the end, it all comes down to how the customer actually uses that building.*”

The informants also emphasized that value co-destruction can emerge when customers *incorrectly store* products they have bought. This storage problem is mainly an issue in the consumer market, and a brand development manager (C7) explained the situation: “*Our products hold their high quality for a few weeks. If a consumer opens up our product in the spring and tries to use the same product in the fall, it will no longer be as good.*” What is evident is that once the product has left the store, it is out of the provider’s reach. Providers can explain to and educate customers how to use and store the products, but in the end, customers decide whether to follow the instructions.

Finally, when *a customer acts disruptively*, the interaction between the parties can fail. In long industrial or public collaborations, if customers make changes during the project without letting the provider know or even if they do let the provider know, the change can harm the entire project. Changes most likely prolong the project. These changes might also make the customer unhappy, although he, she or it insisted on having those changes made.

Blaming

The final identified reason behind value co-destruction is blaming. Firms in different relationships do their best to serve their customers; however, mistakes happen. A good reputation and brand are key ways to promote a provider’s services and products in the market. If the firm’s reputation and brand are impacted by public complaints, the negative outcome will influence possible new customers and who they choose to do business with. Thus, a provider experiences a decline in well-being through a customer’s blaming behavior. The data revealed that blaming has a relationship type-independent aspect (harmful complaining) and a relationship type-specific aspect, due to groundless complaining (a second-order theme) arising from B2G relationships.

Blaming can happen through *harmful complaining*. Informants mentioned numerous times how their customers engage in value co-destruction behavior by complaining publicly, whether on social media or in the news or to acquaintances. This behavior applies to consumers and industrial and public customers. Blaming is especially harmful in cases in which the complaint is based on a mistake or the customer publicly shames the wrong actor for a mistake. A material manager (C4) stated, “*If this kind of negative feedback comes, it seems that these days it spreads very easily, and by that our customer can destroy our brand. For example, negative complaints move so fast on social media.*” Especially in industrial companies and public organizations, sources explained that it is difficult for them to take into consideration the end customer or user, who utilizes the companies’ products and services. The end customers do not know who produced their product, but they still expect it to be of the highest quality. If the offering is faulty, the customer is unlikely to seek out the original provider but instead will blame the source he or she bought it from. A special case with services provided by public organizations takes place when failures of public services are often blamed on the actions of the public organization, although the failure was caused by the private service provider contracted by the public organization.

In line with this behavior, value co-destruction emerges when customers engage in *groundless blaming* behavior. Informants identified incidents in which customers blamed the provider for no reason or the customer chose to blame the provider for the customer's own mistake. This issue came up in interviews with public companies regarding their customers. Informants from public companies said that their customers engage in very harmful behavior by publicly complaining about a mistake or blaming the wrong actor. An informant (head of branch solutions, C3) stated, *"Issues are brought into the public eye and specifically mention the firm. Not to mention that the issue brought into the public eye was unjustified. Actually, yesterday we had a case where company X got hit. There was a problem with information system Y. System Y that is a system we provide crashed during the weekend, but in the press, company X was blamed for it even though the system is ours."*

DISCUSSION

Theoretical contribution

The aim of this paper was to study the underlying reasons for value co-destruction and their relationship type and temporal nature. The marketing and service literature has focused heavily on value creation and co-creation, and little attention has been paid to the possible negative outcomes of a project or purchase (Echeverri & Skålen, 2011; Mele, 2011). We identified several gaps in the current literature. This study addressed the gap in previous research by examining value co-destruction from the provider's perspective (Prior & Marcos-Cuevas, 2016). In addition, the current value co-destruction literature has paid little attention to when causes or antecedents emerge (Prior & Marcos-Cuevas, 2016; Vafeas et al., 2016). Finally, the results originate from a multi-relationship-type study that has been missing from the current discussion (Echeverri & Skålen, 2011; Prior & Marcos-Cuevas, 2016). The present multi-sector study offers insight from seven public and private organizations operating in different industries and with business customers and consumers. Thus, we asked the following questions: First, what are the reasons for value co-destruction from the provider's perspective, and second, 2) when and in what kinds of relationships do the reasons identified for value co-destruction emerge?

Regarding the first question, the study identified eight reasons for value co-destruction: the absence of information, an insufficient level of trust, mistakes, an inability to serve, an inability to change, the absence of clear expectations, customer misbehavior and blaming. In contrast to previous research on value co-destruction, the present results confirm the current understanding and add new knowledge. An information-related value co-destruction antecedent has been proposed in several conceptual papers (Lefebvre & Plé, 2011; Ple, 2016; Plé & Cáceres, 2010; Robertson et al., 2014). From the empirical side, information sharing as a reason for value co-destruction has been provided (Vafeas et al., 2016). An insufficient level of trust has been proposed by previous researchers under the term "absence of trust" (Vafeas et al., 2016); thus, the present study supports the role of an insufficient level of trust in the emergence of value co-destruction. Absence of clear expectations has been proposed in light of goal prevention, meaning unclear expectations affect how well parties can reach their goals (Prior & Marcos-Cuevas, 2016). Finally, customer misbehavior has been studied in different consumer market

studies (Echeverri et al., 2012; Echeverri & Skålen, 2011; Kashif & Zarkada, 2015), and the present study finding is in line with this notion.

The present study highlights the importance of mistakes, the inability to serve, the inability to change and blaming, which, to our understanding, have not been offered as antecedents of value co-destruction as such. Mistakes are natural occurrences in any relationship, and thus, are a very clear reason for value co-destruction. Mistakes can happen with different intensities and during different stages of collaboration. In particular, mistakes that take place at the very beginning of a collaboration have a higher intensity, because they can cause the collaboration to end all together (Rasouljan, Grégoire, Legoux, & Sénécal, 2017). Mistakes are hard to avoid; however, their intensity should be decreased as much as possible.

This study pinpoints the inability to serve as one reason behind value co-destruction. A key aspect of collaboration is that the provider can serve the customer in the way that the customer expects and it is valuable for the customer. This study highlights that if a provider is unable to serve the customer (i.e., perform a very basic task of collaboration), then value co-destruction emerges. The inability to serve can be seen through the lens of net deficit and goal prevention (Prior & Marcos-Cuevas, 2016); however, we offer detailed notions on the inability to serve resulting in value co-destruction.

Change is constantly around us, and a successful collaboration requires that both parties embrace changes. The inability to change is closely linked to contingency theory, which explains that successful companies need to adapt their behavior to perceived changes, that is, contingencies (Homburg, Jozić, & Kuehnl, 2017; Volberda, van der Weerd, Verwaal, Stienstra, & Verdu, 2012). Digitalization and consumer megatrends that make their way into business relationships, to name a few examples, challenge relationships to evolve to a new level. This change forces the provider to move beyond their operating relationship type and understand different relationship types and contexts as well, and adapt different behavioral models from these different relationship types. In contrast, providers are constantly innovating new products and services that not only make customers' lives easier but also might reduce costs for the customer and the provider. However, providers count on customers being willing to change their behavior and adapt these new ways of operating.

We also identified blaming as an underlying reason. This reason was conceptually proposed by Plé and Cáceres (2010) and as part of customer misbehavior by Kashif and Zarkada (2015). However, the present research emphasizes the importance of blaming by identifying it as an individual, aggregated dimension. Blaming requires a catalyst, a negative experience that causes a customer to become vocal in different channels. Blaming is closely linked to negative word-of-mouth and its impact on a firm's sales and brand (Luo, 2008; Pee, 2016). We argue that blaming should be specifically identified as a reason for value co-destruction because blaming affects the provider's well-being; however, blaming is influenced by the provider's behavior.

Regarding the second research question, we studied the temporal and relational nature of these eight identified reasons. Previous literature has proposed that value co-destruction and co-creation can exist at the same time (Chowdhury et al., 2016; Prior & Marcos-Cuevas, 2016). If value co-creation can be seen as before, during and after processes, then value co-destruction can also be seen at different time points. Organizing the reasons or antecedents according to the phase in which they occur has not received much attention among value co-destruction scholars (Prior & Marcos-Cuevas, 2016; Vafeas et al., 2016); however, understanding when different antecedents occur is vital for managers. By knowing which antecedents are most likely to emerge at a certain point during the collaboration or purchase process, managers can foresee these pitfalls and instruct employees appropriately. Thus, we propose that the reasons can be categorized into three time periods: before collaboration, during after collaboration and time-independent (meaning they can happen throughout the collaboration process), as presented in Figure 3.

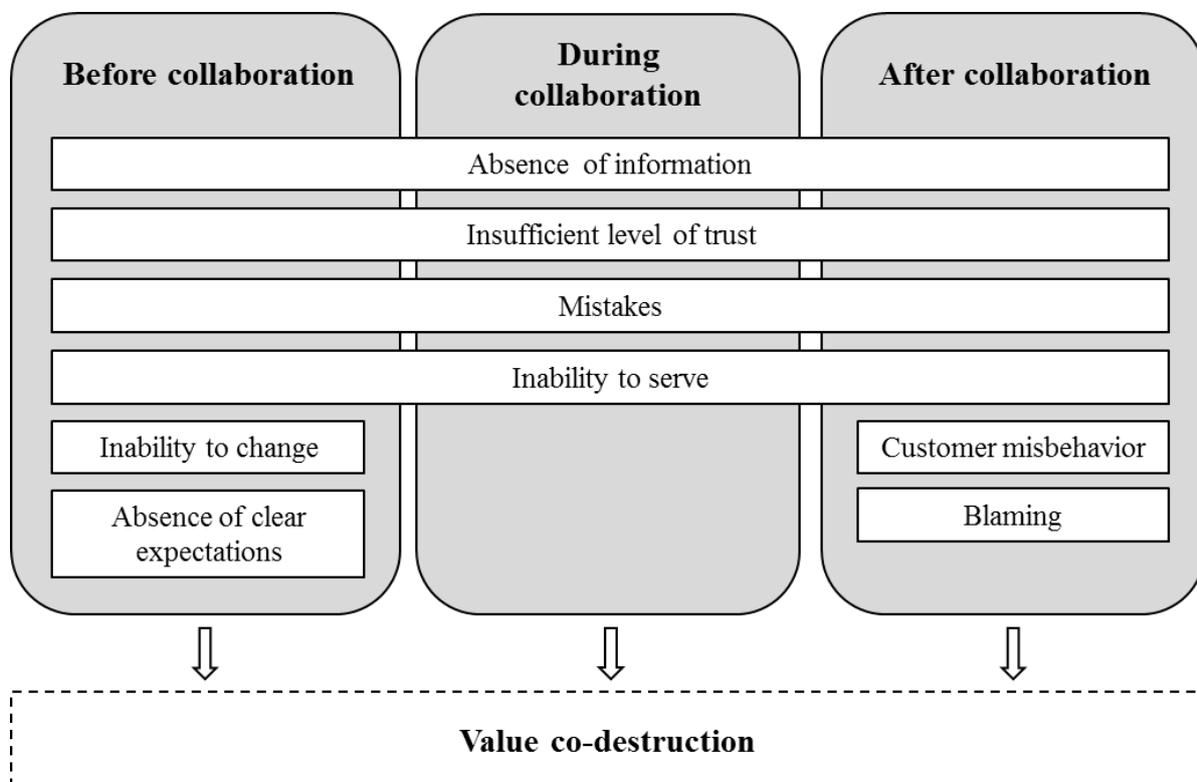


Figure 3. The empirically grounded model of the temporal nature of the reasons for value co-destruction

We presented the conceptual background for this study with a discussion of the current studies on value co-destruction, meaning antecedents from different relationship types. Thus, we emphasized the relational nature of value co-creation, or in this case, the relational nature of value co-destruction (Akaka et al., 2015; Holbrook, 1994; Makkonen & Olkkonen, 2017). The reasons can be identified as relationship type-specific or relationship type-independent. We proposed that an inability to serve and an inability to change are the two reasons that clearly happen in consumer markets or are relationship type-independent. Other reasons can be divided into different relationship types based on their second-order codes. We wanted to

highlight the nuances of each reason that place them in different types of relationship. With the relationship type approach, we also expand the notions of current literature. Vafeas et al. (2016) studied the absence of trust in B2B relationships. The present study identified that an insufficient level of trust emerges in B2B relationships as well as in B2C and B2G relationships. Thus, this study expands an insufficient level of trust to include other relationships in addition to B2B relationships. Echeverri et al. (2012), Echeverri and Skålen (2011) and Kashif and Zarkada (2015) studied customer misbehavior in B2C relationships. The present study identified that customer misbehavior occurs in B2C relationships as well as in B2B and B2G relationships. Thus, this paper makes a novel contribution by proposing that purchasing firms and public organizations also demonstrate customer misbehavior. Additionally, this study identified that an absence of clear expectations and an absence of information emerge from B2G relationships, not only from B2B or B2C relationships, as previous literature has stated (Prior & Marcos-Cuevas, 2016; Robertson et al., 2014; Vafeas et al., 2016)

With these notions and with the entire study, we make an important contribution to current literature by studying value co-destruction in the public sector environment, which, until now, had been missing from the value co-destruction discussion. This study also contributes to the research gap in the value co-destruction view on public service co-production pointed out recently by Osborne, Radnor, and Strokosch (2016), Alford (2016) and van de Walle (2016). Our observations related to the reasons for value co-destruction are also applicable within the public sector environment. Private customer value alone has limited validity in depicting customers in the public sector (Alford, 2002), and the provider's responsibility is also to serve the social goals of the wider public (Hartley, 2005). Thus, value co-destruction is extremely dangerous within public services in that even trivial failures tend to create ripples far and wide in the community.

In Table 3, we summarize our contributions by discussing the temporal and relational nature of each reason, propose the connection to current literature for each reason and explain each reason.

Table 3. Summary of the contribution (the time column refers to the whole aggregated dimension, meaning the reason, and in the relationship type column, the second-order themes are discussed unless otherwise indicated)

Reason	Time	Relationship type (RI= relationship type-independent)	Connection to previous literature	Explanation of the reason
Absence of information	Time-independent	Provider is unable to provide correct information: G2C and B2C Customer is unable to produce information: G2C and B2C Customer fails to process information: B2C and B2B	Corroborates previous findings (Vafeas et al., 2016)	The provider, customer or both are unable to provide or process information.
Insufficient level of trust	Time-independent	Customer is unwilling to provide information: B2B and B2G Inability to trust: B2B and B2G Customer acts selfishly: B2C, B2G and G2C	Corroborates previous findings (Vafeas et al., 2016).	If the actors cannot trust each other, then their collaboration is bound to suffer because, for example, the actors cannot trust that what has been agreed on will be done.
Mistakes	Time-independent	Wrong assumptions: RI Incorrect product: B2B	New avenue in the value co-destruction literature. Mistakes have been discussed in the general collaboration literature (Rasoulouian et al., 2017); however, the present study pinpoints mistakes as a reason for value co-destruction.	Mistakes can result from incorrect assumptions and when an incorrect product is sold or purchased.
Inability to serve	Time-independent	RI	New avenue in the value co-destruction literature. This reason can be seen through the lens of net deficit and goal prevention (Prior & Marcos-Cuevas, 2016); however, we offer detailed notions on how an inability to serve results in value co-destruction.	The provider fails to service the customer in a valuable way. This can occur because of, for example, inadequately managing customer relationships or not offering what was promised to the customer.
Inability to change	Before collaboration	B2C	New avenue in the value co-destruction literature. Inability to change is closely linked to contingency theory, which explains that successful companies need to adapt their behavior to perceived changes, that is, contingencies (Homburg et al., 2017; Volberda et al., 2012). We propose that an inability to change occurs also due to a customer's inability or unwillingness to change.	The provider, customer or both fail to adapt their behavior to meet the changing environment.

Absence of clear expectations	Before collaboration	Absence of clear needs: RI Customer has inaccurate expectations: B2B and B2G	Absence of clear expectations has been proposed in light of goal prevention, meaning unclear expectations affect how well parties can reach their goals (Prior & Marcos-Cuevas, 2016).	When customers do not identify their needs or are unable to express them clearly, it becomes almost impossible for the provider to offer products and services to match those expectations and needs.
Customer misbehavior	After collaboration	Customer misuses product: RI Incorrect storing: B2C Customer acts disruptively: B2B and B2G	Corroborates previous findings (Echeverri et al., 2012; Echeverri & Skålen, 2011; Kashif & Zarkada, 2015).	Customers behave in a way that the provider did not foresee and especially in a negative way; this causes unnecessary stress and worries for the provider.
Blaming	After collaboration	Harmful complaining: RI Groundless complaining: B2G	New avenue in the value co-destruction literature. Blaming was conceptually proposed by Plé and Cáceres (2010) and as part of customer misbehavior by Kashif and Zarkada (2015). We propose that blaming is a large aspect of negative experiences; thus, it should be seen as an individual reason for value co-destruction, not as part of something else.	Customers express their disappointment not directly to the provider but through different public means, such as complaining on social media.

Managerial implications

The results of this study also have implications for managers and practitioners not only in marketing and sales management but also in purchasing and supply chain management. From the managerial perspective, it is important that firm managers understand and acknowledge both sides: value co-creation and value co-destruction. Understanding why value co-destruction emerges will help firm managers to recognize the antecedents and learn to avoid and prevent them from taking effect. Value co-creation and co-destruction can exist at the same time, and the provider and the customer can experience different co-phenomena. Thus, firms should not blindly trust that if they are experiencing positive outcomes of a collaboration, the customer must be perceiving benefits as well. This study outlined eight reasons for value co-destruction, and each reason should be considered an issue to avoid. For example, incorrect information situations may result from the actions of the provider or the actions of the customer. Managers are able to affect the actions of firm employees directly, but customers' actions can be affected only indirectly by, for example, proactively securing the information sharing and making information easily obtainable.

This study provided new insights into the temporal nature of value co-destruction. From the managerial point of view, a significant moment is what happens after the purchase. Once the product, whether industrial or consumer, has left the provider's premises, the product is out of the provider's reach. Thus, employees should offer helpful information to their customers, so they can utilize the product correctly. Additionally, the firm's after-sales services should be easily attainable, so if customers experience a problem, they know who to contact for help. Moreover, making sure that customers provide accurate expectations based on correct information lays the foundation for a successful outcome for both parties. Thus, managers should recognize the significance of communication inside the company and with customers and suppliers. Communicating throughout the project, before and after, is crucial in making sure that all parties and employees know what stage the project is in and what is expected from each party.

Managers should also acknowledge the importance of clearly defining employees' tasks and responsibilities. From the provider's point of view, if the responsibilities are unclear, then customers cannot be served in an effective and valuable manner. Providing consistent service and product quality is a vital issue in delivering value and thus, in avoiding value co-destruction. Controlling day-to-day operations and training employees will help to avoid value co-destruction. When employees, regardless of their position, work together in ensuring that quality services and products are delivered to customers, value is created instead of destroyed. Providing superior service might reduce the number of public complaints and result in opposite effects with positive comments and compliments.

Limitations and avenues for future research

In common with most qualitative studies, the present paper provides an in-depth analysis of a single phenomenon in a specific relationship type, and thus, the findings cannot be generalized in a statistical sense. Case research such as this does not purport to produce findings that can

be generalized in a statistical sense, but as Yin (2003) suggested, they are valuable in an analytical sense because they clarify and extend the understanding of the existing theory. Moreover, the abductive research approach does not focus on generalizations but is concerned with the particularities of specific situations (Danermark et al., 2005; Kovács & Spens, 2005)(2005). Thus, even if this study does not produce statistically generalizable findings, the findings are valuable in an analytical sense.

In this paper, we studied reasons for value co-destruction from the provider's perspective across seven providers. The studied phenomenon is new, and thus, we aimed at deepening the knowledge. We aimed to open up a new avenue for value co-destruction research by presenting findings from public actors, and the present findings further highlight the recently discovered avenue for future research on value co-destruction within the field of public service co-production. Governments and municipalities have an obligation to create usable services for and with citizens. If the government's efforts to co-create value fail, the failure tends to have crippling effects on not only the focal actors of that specific public service provided but also the whole community. Taking a critical stance on public service co-production from the value co-destruction point of view has multiple truly interesting opportunities for future research. Generally speaking, the state of the value co-destruction literature is still nascent, and future research from multiple angles is needed. One promising avenue is to explore value co-destruction with quantitative means by conducting a large, cutting-edge survey across relationship types, countries and cultural backgrounds. To date, research has offered studies from one country at a time, and a comparative study across countries and cultures would offer insights into value co-destruction that single-country studies cannot. Additionally, a more comprehensive study across different industries would yield important insights that the present paper perhaps could not identify.

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APPENDIX 1. INTERVIEW GUIDES

FIRST INTERVIEW

Background information

1. Could you please briefly state what is the industry of this firm?
2. What is your position in this firm?
3. Who are your customers?

Value co-creation and co-destruction

1. Do you collect new ideas from your customers in a systematic manner?
2. Have you co-created services and/or products with your customers?
3. If yes, what these co-creation projects were about?
4. Are you currently co-creating new services with your B2B or B2C customers?
5. How does supply management take consumers' needs into consideration?
6. How do the changing needs and wishes of purchasing customers reach supply management?
7. What do you perceive as actions by which a customer can negatively affect his, her or its experience when purchasing or using your services?
8. What do you perceive as actions by which customers can negatively affect your value formation?

FOLLOW-UP INTERVIEW

1. How would you define value co-destruction in your own words?
2. What is a typical situation where a customer has been disappointed with your firm's actions?
3. What is a typical service or a product that your customers have been disappointed with?
4. In what ways do customers demonstrate their disappointment?
5. What services and products generate the largest amount of negative feedback?
6. Would you consider that some firm functions are invaluable for your customers?
7. What actions taken by your firm can result in a failed collaboration?
8. What do you think are actions that can negatively affect customers' value creation?
9. What customers' actions can result in failed collaboration?
10. In your opinion, what is a typical way that customers can negatively affect your firm's value creation?
11. What is a typical situation where customers can negatively affect your firm's value creation?
12. What kind of customer typically negatively affects your firm's value creation?
13. What would you consider to be the biggest challenges related to customer engagement and value co-destruction?
14. How can these challenges be tackled?