Title	**: Value-in-Use for Business Customers: Conceptualization, Process, and Evaluation**

Abstract : The value-in-use construct is considered as one of the cornerstones of the marketing discipline. However, conceptualizations of value-in-use, and understandings of how it is created and evaluated, still need to be developed further. In this paper, the researcher proposes a new perspective for conceptualizing value-in-use in the context of business customers, and develops models of the customer's value creation processes and evaluation criteria. The concepts and models are based on two complementary sets of knowledge: literature from multiple business disciplines, reflected against the researcher's several years of work experience in leading B2B firms, both at national and international levels. From a theoretical perspective, the paper extends on prior research through introduction of a new perspective, and integration of previously fragmented knowledge on value-in-use. It may also help managers to understand how customers assess value, improve their practices of supporting the customer's value creation processes, and assist them to develop superior value strategies.

Keywords : Value-in-use, business-to-business value

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INTRODUCTION

Value, especially the one that the customer realizes which is commonly known as value-in-use, has been the central attention of marketing academia for long (e.g. Leroi-Werelds et al., 2013; Lindgreen et al. 2012; Lepak et al., 2007; Vargo and Lusch, 2004; Prahalad and Ramaswamy, 2004; Ramirez, 1999). The foundations of multiple crucial concepts and practices are grounded in the value-in-use construct, including that of competitive advantage (Woodruff, 1997), value-based selling (Terho et al., 2012), value-added offerings (Matthyssens and Vandenbempt, 2008), service infusion and solution development (Vandermerwe and Rada, 1988), value-based pricing (Liozu and Hinterhuber, 2013), and value management (Anderson et al., 2006). In addition, multiple developments in recent years; including increased demands for specific and tailored offerings, shorter transportation times and temporal distances, liberalizations in the markets, growing customer expectations, and improved availability and access to information technologies; call for a greater understanding on value-in-use (Lindgreen et al., 2012; Heinonen et al., 2010).

Common understandings persist that the value that customers realize (value-in-use) is significantly different than the value for the supplier, or the value that is exchanged in the market, and that customers' own actions and activities considerably influence the creation and attainment of value-in-use (Macdonald et al., 2011; Lepak et al., 2007; Anderson et al., 2006). Yet, conceptualization of value-in-use, and understandings regarding its creation and evaluation, still need to be developed further (Leroi-Werelds et al., 2013; Lepak et al., 2007). In this paper, I propose a new perspective to conceptualize the content (what it is), and develop understanding regarding the creation (how it is created) and the evaluation (how it is assessed) of value-in-use in the context of business customers.

Appropriate conceptualization of value-in-use is challenging mainly due to its "*ubiquitous nature stemming from its semantic vagueness*" (Howden and Pressey, 2008, p. 790). Its abstract and dynamic characteristics only add to that challenge, as existing studies indicate that the phenomenon changes over time, and is context- and actor-dependent (Khalifa, 2004). Moreover, legacy publications that concentrate on the topic generally study the seller's processes of producing offerings and value, and the customer's integration into those processes (Grönroos and Voima, 2013). In the recent surge of interest in the value construct, especially in the Service-Dominant Logic domain (Vargo and Lusch, 2004), researchers have largely concentrated their efforts on establishing the importance and centrality of the customer in the process (Grönroos, 2008). In addition, few studies have conceptualized and analyzed value creation as a unified process between the supplier and the customer (example, Aarikka-Stenroos and Jaakkola, 2012; Payne et al., 2008; Prahalad and Ramaswamy, 2004). However, despite the notable importance of the customer's own processes in the creation of value-in-use (Grönroos and Voima, 2013; Vargo and Lusch, 2004), apart from very few exceptions (e.g. Moeller et al., 2013; McColl-Kennedy et al., 2012), studies on customers' value creation processes are scarce (Vargo et al., 2008; Grönroos, 2008). These vacuums resulted in explicit calls from several researchers to study value-in-use and the customer's value creation processes more rigorously and to develop new understandings (e.g. Vargo et al., 2008), and placed it as one of the top priorities of contemporary business research (e.g. Deighton et al., 2012). Besides, most of the available literature generally attempts to understand value-in-use at the level of individual customers, and in spite of their significant importance in contemporary economies, the business customers remains largely neglected.

Against this backdrop, *the purpose of this paper is twofold: to advance the conceptualization of value-in-use in business-to-business settings, and to develop conceptual models of business* *customer's value creation processes and evaluation criterions.* By doing so, I extend the prior research to address the question of what value is for business customers, and integrate the current fragmented understanding of how business customers create value-in-use, and how they evaluate the same. I develop the concepts based on two complementary sets of knowledge: literature from multiple business disciplines, reflected against my several years of work experience in leading B2B firms, both at national and international levels. Literatures which have formed the foundation of this paper include – but are not limited to – marketing (especially relationship and services marketing), strategic management, and organizational studies. Considering the logical length of an manuscript, I do not demonstrate any extensive review of these research streams; rather, cite only the key references which are relevant for the development of this paper (c.f. Løwendahl et al., 2001). Nevertheless, I am indebted to numerous other studies which helped to advance my understandings regarding the various dimensions of value-in-use and thus to develop this paper.

LITERATURE REVIEW

Marketing's traditional research on value has had two main orientations: the assessment of a supplier's creation of value for its customers, and how customers perceive differences in the value of a supplier's offerings compared to that of its competition (Ulaga, 2003). Meanwhile, for decades, the concept of value-in-use maintained its foothold as an important tool for better understanding customers (e.g. Anderson et al., 2006; Prahalad and Ramaswamy, 2004; Woodruff, 1997), and is increasingly gaining credence in contemporary marketing research (Grönroos and Voima, 2013; Payne et al., 2008; Vargo and Lusch, 2004). Nevertheless, although interconnected, value-in-use and supplier value are not identical: what is of value to the customer is not the same as what is of value for the supplier, and is certainly different from the value that is exchanged between the parties through market mechanisms (Sheth and Uslay, 2007; Ramirez, 1999). Hence, for an appropriate comprehension of what is of value to business customers, it is imperative also to understand the other two value concepts: value-in-exchange, and supplier value. Below, I briefly discuss these concepts based on the current literature, and then propose a new perspective for understanding value-in-use in business-to-business settings.

Value-in-exchange

Value-in-exchange denotes the value that is exchanged between the customer and the supplier in the market (Sheth and Uslay, 2007). The supplier possesses goods or capabilities to perform service activities. They transfer the goods to the customer through complete change of ownership or allow temporary usage, or perform services to the customer, and receive compensation in return (Bagozzi, 1975). The market enables parties to interact with each other and exchange ownership of their valuables, or allows one party to use the expertise and valuables of the other. The exchange process is facilitated through market mechanisms that ensure orderly and fair trade and appropriate dissemination of price information (Anderson et al., 1999). The notion of value-in-exchange is deeply entrenched in classical economic science, which focuses largely on transactions, exchanges, and markets. The roots can be traced back to some of the most well-known works in economics, such as *An Inquiry into the Nature and Causes of the Wealth of Nations* (commonly referred to as The Wealth of

Nations) by Adam Smith (1776), and *Money and the Mechanism of Exchange* by W. Stanley Jevons (1896).

The exchange value is not the same for both customers and suppliers. For the customers, exchange value means the significance of the "offerings", i.e. the products or services that they receive from the supplier, primarily in exchange of money or through barter of some other commodity. The quality of the offering, its attributes and functionalities, as well as its timeliness and image, all form the components of value-in-exchange for the customers, and should at least equal the compensation they paid to the supplier in return (Anderson et al., 1999). Value-in-exchange for the customer is created during and through the production process (e.g. Porter, 1985). Thus, the value-in-exchange that the customer receives is already embedded in the offering, either when it leaves the factory gate, when the service activities are being performed, or through the co-production of the offerings (Grönroos, 2008). These products or services with embedded value are traded with the customer in exchange for money. Hence, in turn, from the perspective of the supplier, "value-in-exchange" denotes the "worth" of the offering or the "value" the seller gets from the customer in exchange for it; generally this is expressed in monetary terms or in terms of some other valuable commodity (Anderson et al., 2006). Thus, for the supplier, value-in-exchange is "*either the monetary amount realized at a certain point in time, when the exchange of the new task, good, service, or product takes place, or the amount paid by the user to the seller for the use value of the focal task, job, product, or service.*" (Lepak et al., 2007, p. 182).

Supplier value

As the name suggests, supplier value denotes the value that the supplier realizes by doing business. For the supplier, basic value is generated through value-in-exchange: the revenue and the subsequent profit received by the supplier in exchange of the offering that they provide to the customer (Grönroos, 2008; Walter et al., 2001). Therefore, the primary condition of creation of supplier value is that the value-in-exchange received by the supplier must exceed the costs involved in producing the item exchanged or the service activities performed. Nevertheless, in the context of business-to-business markets, the supplier can realize value in many non-monetary or intangible forms, including technological developments, market entry, and access to information and competencies (Walter et al., 2001; Wilson, 1995). Access to critical resources possessed by the customers and the other actors in the customers' business networks can also render value to the supplier (Ulaga and Eggert, 2006). These non-monetary forms of value can be equally important to the supplier, if not if not even more in some cases (Smals and Smits, 2012, p. 157).

Supplier value can take the form of lowered operating costs or increased knowledge acquisition and development (Skjølsvik et al., 2007; Ulaga, 2003). A supplier might also find it more desirable to create long-term relationships with their customers rather than conducting business based on individual transactions (Håkansson and Ford, 2002). this may not only increase revenue and profit in the long run, but also carry strategic importance (Ulaga and Eggert, 2005), as "*The value of a business relationship is clearly a multidimensional concept that goes beyond the price vs. quality trade-off […]*" (Eggert et al., 2006, p. 21). The primary dynamics of business relationships that may affect supplier value are attractiveness, trust, and commitment (Ulaga et al., 2005). However, the qualitative and intangible nature of non-monetary supplier values makes them difficult to assess, posing a challenge for objective and quantitative measurements (Smals and Smits, 2012).

Supplier value can be further divided into two categories: value for the shareholders (Lim and Lusch, 2011; Srivastava et al., 1998), and value for the organization itself (Løwendahl et al., 2001). Shareholders generally realize value in terms of return on their investments, supplemented with future growth potentials (Lazonick and O'Sullivan, 2000; Srivastava et al., 1998). The organization itself gains value in such areas as organizational learning, development of business networks, generation of new knowledge, improved competitive advantage, and innovation of new products and services, among others (Løwendahl et al., 2001; Håkånsson and Snehota, 1999). Still, it is difficult to draw a clean line between value for the shareholders and value for the firm, as the two often overlap, and together form the coherent whole of supplier value.

Value-in-use

At its core, the concept of value-in-use implies that for customers, the goods or service activities are not of value per se. Rather, value for the customer inheres in the benefits that the customers get through use of the offering (Grönroos and Voima, 2013; Vargo and Lusch, 2008). For example, the value of a car, for the customer, is not the car itself (the tangible and physical artifact); rather, the customer realizes the value through transportation (Bettencourt et al., 2002). The customer could also realize value in the form of convenience, satisfaction, social status, and so on. However, it is difficult to define value-in-use with a single definition, due to the "*subjectivity and ambiguity of value which is compounded by the fact that customer value, being a dynamic concept, evolves over time*" (Khalifa, 2004, p. 647). Nevertheless, in contrast to value-in-exchange, which focuses on the object of exchange, value-in-use emphasizes the trade-off between the benefits that the customer could realize versus the sacrifices required to attain those benefits, including monetary and non-monetary resources, stress, and time (Trasorras et al., 2009).

VALUE-IN-USE FOR BUSINESS CUSTOMERS

When customers – both private consumers and business organizations – acquire any offering, they possess various objectives which they want to achieve through usage of the offering (Woodruff, 1997; Zeithaml, 1988). Value-in-use, which stems from the customer's usage processes and can be facilitated by the provider, is realized through the achievement of those objectives (Woodruff, 1997). In addition, it is also possible that value-in-use contain elements that have not been pre-planned, i.e., that the customers did not aspire in advance. For example, a customer organization employing a renowned auditing firm to conduct its annual auditing and prepare the financial report may find that the particular business relationship increases their trustworthiness among their suppliers, although this was not one of their goals in the beginning. Therefore, I define value-in-use as *the fulfillment of a customer's objectives through usage of products and services (offerings), which may or may not be supplemented with unplanned benefits, minus the sacrifices required to achieve the objectives*. Thus, if the same set of objectives can be fulfilled through the usage of different means, the approach which costs the least sacrifice will render the highest customer value.

In consumer contexts, customers' needs and thus objectives are often simpler and remain at the level of the individual, and so do their fulfillments. Thus, value-in-use to a thirsty person denotes the fulfillment of her objective of satisfying her thirst through drinking a bottle of water. In business-to-business contexts, the objectives are often more multifaceted, diverse, intertwined, and complex. At the same time, the objectives are also more pre-planned, structured, and based on managerial decisions, and frequently include formal assessments. Forms of value, for business customers, may be categorized according to their fulfillment of five different types of objectives: operational, strategic, financial, stakeholder, and relationship objectives. The value-in-use is created either through the customer's sole usage processes, or in association with the suppliers, commonly known as value co-creation (Grönroos, 2008; Lepak et al., 2007; Vargo and Lusch, 2004). The conceptual model of value-in-use in business contexts is illustrated in figure 1. The model is developed in a means-end model structure (c.f. Macdonald et al., 2011; Woodruff, 1997). However, the objectives are not in hierarchical order, as the customer's objective preferences can change depending on the situation.

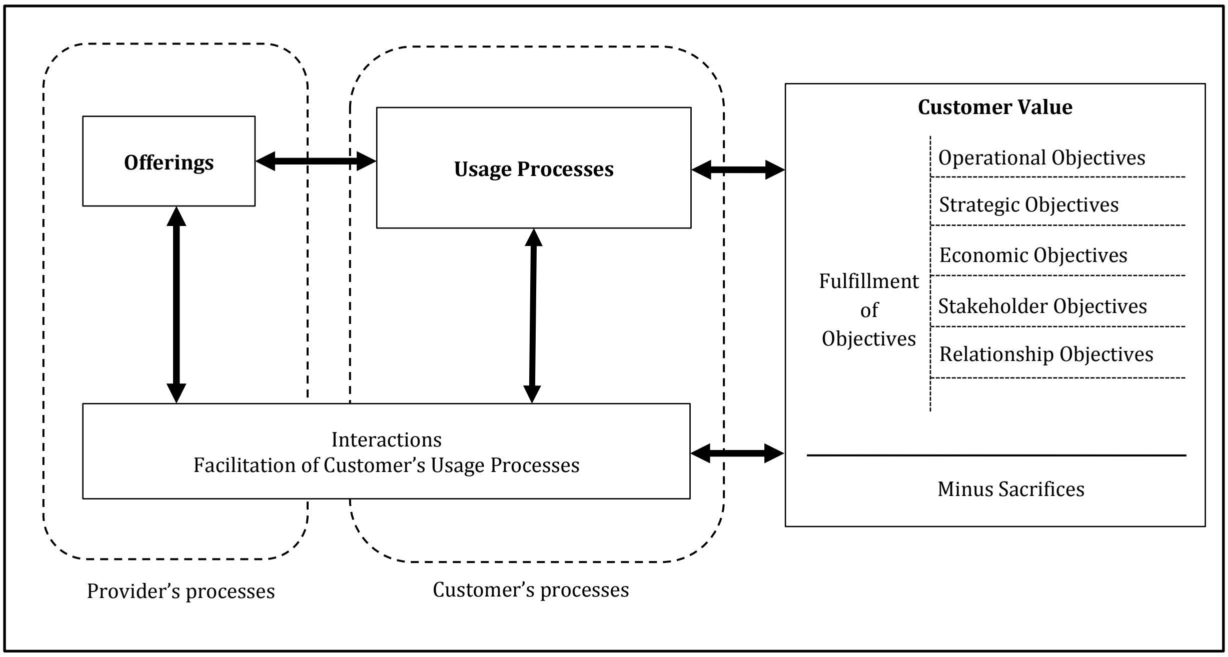

Figure 1: Conceptualization of customer value in business-to-business context

As illustrated in figure one, value-in-use is created through the customer's usage processes. Many a times, especially in case of services, the usage process includes compulsory interactions with the suppliers, or even other actors. In other situations, the interactions are not compulsory, but if performed, they support and facilitate the usage processes.

Below, I provide further clarification regarding the fulfillments of these five types of objectives through these usage processes, i.e. value-in-use for business customers. It is important to note here that most of the objectives are tightly nested and intertwined, and fulfillment of one objective can affect others. For instance, fulfillment of operational objectives can lead to better economic results, as well as increase employee productivity and job satisfaction. Serviscapes with functional design and beautiful aesthetics not only help deliver superior services and thus achieve operational objectives, but also enhance employee job satisfaction and thus assist in achieving personnel objectives. Fulfilling relationship objectives and external stakeholder objectives can become opposite sides of the same coin for the customer organization. However, realizations of value-in-use by business customers do not mean the fulfillment of all the seven types of objectives every time. Rather, value-in-use may take the form only one or few objective fulfillments.

Operational objectives

Smooth and appropriate executions of business operations are essential to the survival and success of any business. Organizations acquire and use both products and services to fulfill their objectives related to business operations. Value is realized by the customer if the offerings can be integrated into their operational processes, and hence assists them to meet their operational objectives. In other words, fulfillment of the customer's objectives related to business operations equals value-in-use, as appropriate operational positioning and alignment of a firm's operation can render value to the business customers in the form of increased operational efficiency and effectiveness, and create significant positive impact on a firm's business performance and competitive strengths.

Strategic objectives

Along with operational objectives, organizations possess strategic objectives to achieve long-term competitive advantage and to position themselves in the market as targeted. The strategic objectives may also include directing the organization towards common goals, mission, and values. Achieving the strategic objectives requires an organization to establish primacies, confirming that personnel in the organization are working together to reach the common goal, and consider and adjust the organization's direction in response to the changing environment. Achievements of strategic objectives constitute value-in-use for the business customers.

Financial objectives

Most of the times, business customers acquire offerings from suppliers and use them with the objective of creating positive financial results. The financial results generally come from regular business operations. For example, acquisition of raw materials, which the business customer can convert into finished products and sell with a profit, will fall into this type of objective fulfillment. Firms can achieve financial results through other means, for example, by selling of idle assets, or by decreasing costs. Therefore, the value-in-use is rendered to the business organizations in the form of increased profit or decreased cost. Important to note here that in business-to-business settings, even when a customer acquires any offering with a different primary intention, most of the times the economic objectives are closely associated with it. For instance, smooth business operations and successful implementation of long-term strategies should result in increased revenue and profit.

Stakeholder objectives

A magnitude of various stakeholders contains interests in business organizations, which can be divided into two broad categories: internal stakeholders – consisting mainly of owners, shareholders and employees, and external stakeholders, which include a larger group, from customers to the physical environment in which they operate. Consider the case of the firm's personnel, one of the most important stakeholder groups. The firm's objectives are aimed at finding and recruiting suitable employees, retaining them and keeping the turn-around rate low, exploiting their knowledge and competencies in favor of the organization, and creating job satisfaction. The firm uses various measures to attain those objectives, including training and development, recreation and amenities, and insurance and pension services. Similar examples can be drawn for external stakeholders, too. Legal services are used to meet commercial rules and regulations. Appropriate chemicals and treatment plants are employed to reduce pollution to avoid harm to the environment. Corporate social responsibility measures are implemented to demonstrate commitment to economy, environment, and society at large. Attainment of objectives related to the stakeholders equals to value-in-use for business organizations.

Relationship objectives

Business firms create and maintain various relationships and become part of larger networks with numerous other actors, including customers, suppliers, universities and R&D firms, environmental groups, government institutions and so on. Even though the relationships between the focal business organization and the actors available in its networks are not always asymmetrical, rather than working independently, organizations engage in networks and nurture and develop them with the intent that the relationships will result in increased benefits. Benefits of positive business relationships may include, for example, application of better technology, superior information and knowledge, market access, lowered production costs, and higher profits. Fulfillment of relationship objectives can be achieved through the synergistic combination of resources and competencies from the actors in the network, and can be affected, both positively and negatively, by the business firm's importance in the network, its dependence on other actors, and the strength of the bonds between the actors (Wilson, 1995).

Sacrifices

Creation and realization of value-in-use; i.e. attainment of objectives; demand sacrifices from the customers. The extent of customer sacrifices profoundly affects their evaluation regarding the value that they realize. As Lapierre (1997, p. 381) argued, "*we cannot just consider what the customer gets; we must also concentrate on the sacrifice the customer has to make.*" Creation of value-in-use with low sacrifices renders high value to the customer; the opposite is also true. Sacrifices made by the customer may include both monetary and non-monetary elements. Acquisition of resources necessary to create value-in-use is one of the main sacrifices made by customers in monetary terms. Expenditures are also incurred for various other purposes necessary to create value-in-use, e.g. regular production costs, employee remuneration and welfare, and relationship development and maintenance. Moreover, some resources are of strategic importance, and the opportunity costs necessary to acquire them are high. Customers' non-monetary sacrifices can take various forms, including time, effort, comfort, and ease of use (Grönroos, 2011). Especially in the context of business customers, the organizational usage of time can be equated to a monetary value. Hence, the more time is required to create value, the more sacrifices the customer makes. Similarly, if significant efforts are required from the employees, or if the value creation processes create burdens on the employees which lead to job stress or dissatisfaction, these can also be considered as sacrifices made by the customer. Empirical studies show that customers may consider their participation in co-producing the offerings as a major sacrifice, too (e.g. Bendapudi and Leone, 2003).

VALUE CREATION PROCESSES

Customer's value creation processes include the activities, procedures, tasks, mechanisms and interactions that are involved in value creation from the customer's side (Payne et al., 2008). Creation of value-in-use in business-to-business contexts, i.e. fulfillment of the five categories of objectives discussed above, requires five sets of processes: resource integration, resource interaction, application of knowledge and competencies, coordination of intra-organizational activities, and interactions with actors outside the firm boundaries. The value creation processes are not sequential; they do not always follow a specific order. Rather, the processes are tightly integrated and intertwined, may take place in parallel, and are heavily affected by each other. These processes are illustrated in figure 2 below.

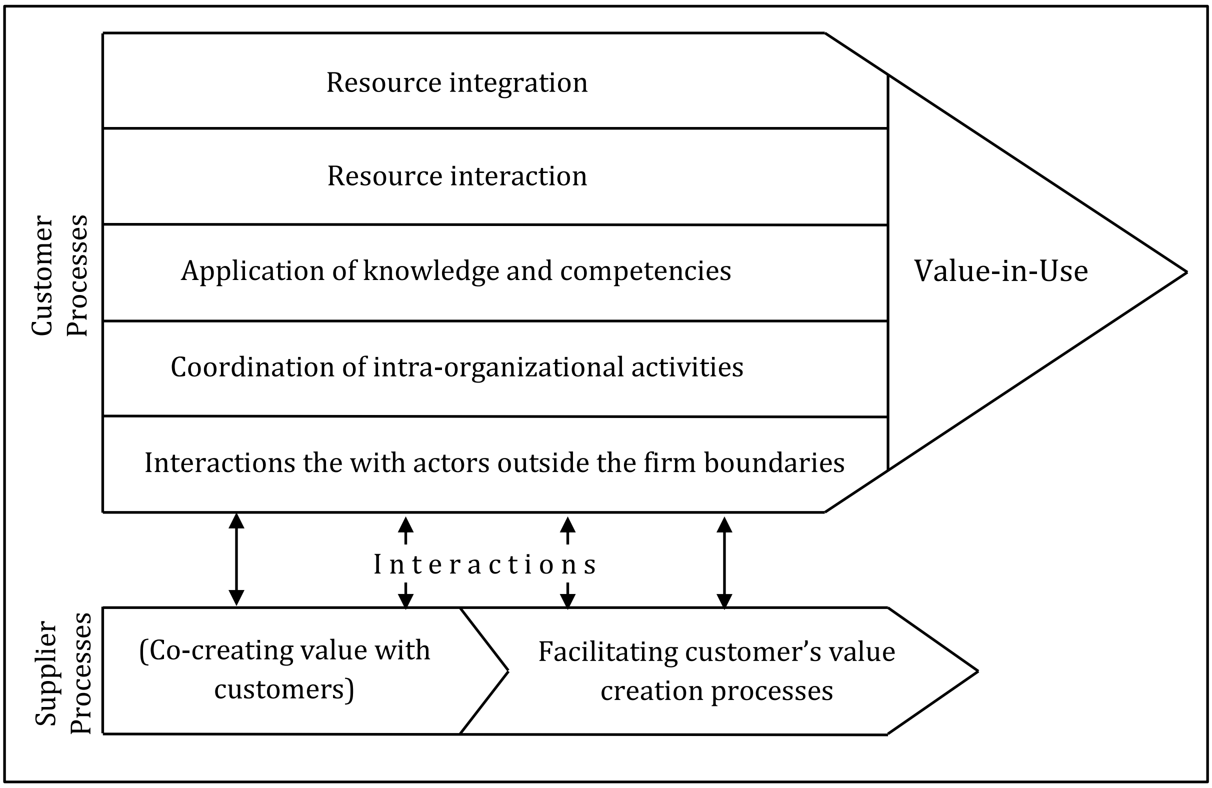

Figure 2: Customer's value creation processes in business-to-business settings.

Resource integration

Creation of value-in-use in business-to-business contexts commonly requires multiple resources, including raw materials, manpower, machineries, knowledge, skills, competencies, and infrastructure. The resources may be readily available within the organization, or it may be necessary to acquire them from outside the firm boundaries before integrating them. Some resources, e.g. infrastructures and machineries, are comparatively static, and once integrated, can support the customer's objective for a relatively long period. Other resources that are more dynamic in nature, e.g. skilled manpower and professional knowledge, necessitate continuous managerial attention. Resources which are easily perishable or carry high inventory costs, such as organic raw materials, need to be sourced on a regular basis. Consider the example of a firm using enterprise management software with the objective of smoother financial operations and better visibility for the top management. The software alone is not enough to create value-in-use. Rather, to reach their objectives, the customer needs to integrate various resources, including computer hardware, electricity, and network connections.

Resource interaction

Integrating different resources does not automatically result in value-in-use for the customer organization. Rather, systematic interactions with and between resources are another crucial process for value creation. Such interactions may be man-man, man-machine, or machine-machine. Here, by "machine", I denote all the static resources necessary for value creation, e.g. equipment, machineries, raw materials, software, and serviscapes. Regular communications between the front and back office employees are examples of man-man interactions, and doctors in hospitals using medical equipment to treat their patients exemplify man-machine interactions. Use of robots to weld cars in automated production lines is an example of machine-machine interactions. The resource interaction processes may follow the resource integration processes, or the two may appear at the same time.

Application of knowledge and capabilities

Business customers' applications of knowledge and capabilities are essential processes in fulfilling their objectives, and thus in creating value-in-use. In fact, all other four types of value creation process are in some way dependent on this one. Integration of and interaction with resources requires the use of knowledge and capabilities possessed by the customer, as do the execution and coordination of intra-organizational activities, and interactions with actors outside the firm boundaries. It is yet a matter for scholarly debate whether the totality of knowledge possessed by an organization is equal to the sum of the knowledge possessed by its employees, or whether organizations themselves can learn and store knowledge beyond that retained by employees (Løwendahl et al., 2001). Nevertheless, no value-in-use can be created if the customer organization does not apply its own knowledge and capabilities.

Execution and coordination of intra-organizational activities

Business organizations conduct scores of activities carried out by different business functions, from production to after-sales services. Depending on the scale and scope of value creation, customers need to perform several new activities and coordinate and align some existing ones. The activities may be intra-functional, taking place within a specific business function; otherwise, several business functions may need to perform and co-ordinate their activities in tandem towards the fulfillment of the objectives. Consider the example of a firm producing household electric appliances which wants to maintain an effective nationwide distribution channel. Coordination of intra-organizational activities is crucial to reach their objective. The marketing function needs to work closely with the supply chain management function to ensure the effective flow of demand forecasting information; so does the production function to maintain the optimum inventory level.

Interactions with actors outside the firm boundaries

Creation of value-in-use often necessitates that the customer organization interact with the other actors of their business networks. These actors, who reside outside the firm boundaries, may include, but are not limited to, customers, suppliers, R&D organizations, authorities, institutions, and even competitors. The interactions may even require alignment of the focal firm's internal activities with the activities of these external actors. These interactions with the external actors are another vital process of the customer organization to create value-in-use. Also, as value-in-use can reside within the relationships too, interactions with external actors are vital for appropriate continuation of business relationships.

Fulfillment of customers' objectives and thus creation of customer value is not a static process. As illustrated in figure 2, the achievement of customers' objectives is often dependent on interactions with suppliers: *"[in a business-to-business context] the roots of a firm's economic result can be traced back to how well the firm's various practices are supported by its suppliers [...]"* (Grönroos, 2011, p. 242). The interactions may take place in several forms, e.g. maintaining continuous supply of raw materials for the customer firm, or face-to-face interactions between the respective personnel of the customer and the service provider in the case of business-to-business services. The provider can also facilitate value creation to multiple magnitudes and forms, including employee training and education, knowledge transfer, technical support, operational assistance, and after sales services.

EVALUATION OF VALUE-IN-USE BY THE BUBSINESS CUSTOMERS

When evaluating the value-in-use that they realize, business customers perform objective and rational measurements, and carefully consider the fulfillment of their objectives against the sacrifices they have made. Nevertheless, in business-to-business settings, the value-in-use can be generated at both individual and organizational level. Thus, value realized from an IT solution may be considered as "making me more efficient at my job" (individual level), "enabling the organization to achieve competitive advance" (organizational level), and "increasing my job security" (individual level) (Rugg et al., 2002). Hence, assessments of value-in-use can neither be conducted at any single level, nor purely in regard to attributes or features of the provider and their offering (Helkkula et al., 2012; Macdonald et al., 2011). Business customers employ three different types of measures to evaluate whether their objectives have been fulfilled, that is, whether value-in-use has been created, and to what extent (Woodruff, 1997). These three types of measures are: consequential measures, contextual measures, and process-based measures.

Consequential evaluation

Business organizations make their first evaluation of value-in-use based on the consequences of the value creation processes in relation to their objectives. This means whether the outcomes of their value creation processes match their objectives, and to what quality and extent. The consequential evaluation can involve evaluation of monetary or non-monetary consequences, or both. Monetary assessments essentially depend on the calculation of costs and benefits, whereas non-monetary assessments are applied to analyze the fulfillment of various other customer objectives. Business customers also evaluate whether they have realized any value-in-use from their value creation processes which was not initially intended.

Contextual evaluation

Evaluation of quality and extent of value-in-use also depends on the context based on which is evaluation is being made (Vargo and Lusch, 2008). As Vargo and Lusch (2008, FP 10) reflects "*value is always uniquely and phenomenologically determined by the beneficiary*". In other words, the same outcome may render different value-in-use in different conditions. For example, possession and usage of latest internet technologies can be of high value-in-use for a firm operating in high-tech industry. However, a firm producing rice and wheat may evaluate the same in a different manner. Similarly, in a competitive market, specific business relationships can render various value-in-use to the business organization. However, in a monopolistic market where the firm faces low or no competition, the similar relationships render little or no value-in-use.

Process-based evaluation

The processes which have been employed for value creation form a part of the overall evaluation of the value-in-use realized by the business customers. The smoothness of the processes, the resources, knowledge, competencies and the interactions put into them, as well as the efforts and time spent to perform them, are all considered against the fulfillment of the objectives (Woodruff, 1997). Hence, if the process of creating the value-in-use is resource-heavy and requires high degree of efforts and other inputs and interactions, it results in lower value-in-use to the customer organization. The opposite is also true. The functionalities and attributes of the offerings used to create value, and how well they fit within the customer's processes, are part of the process-based evaluation.

Nevertheless, value-in-use is subjective in nature, and the evaluations depend on who is making the assessment. Accordingly, complete objective evaluation of customer value which will remain constant across customers and contexts may not be possible. Moreover, the evaluations are not always conducted after the value creation processes are completed. Rather, in many situations, the value creation processes are continuous, and so are their evaluations, as the fulfillment of some objectives may take considerable time. For example, if a new enterprise management software is implemented, the creation and evaluation of value become parallel, as the customer creates value while using the software, and simultaneously evaluates whether their objectives have been fulfilled.

DISCUSSIONS

Marketing's focus on value is progressively shifting from generating more value-in-exchange for the supplier to supporting the creation and realization of superior value-in-use for the customer. The change is visible in the latest definition of marketing by the American Marketing Association, which shifted from "[…] *delivering value* to customers […] that benefit the organization and its stakeholders (2004, emphasis added)" to "[…] for creating, communicating, delivering, and exchanging offerings that *have value for customers* […] (2013, emphasis added)". Researchers have tried to conceptualize and explain value-in-use, and their creation and evaluation from either universal perspectives that cut across the boundaries of contexts and levels, or through a contingency perspective that considers where, how, and by whom the value-in-use is being created (e.g. Lepak et al., 2007). In this paper, taking a contingency perspective, I have analyzed value-in-use and their creation processes and evaluation manners in business-to-business contexts, which may or may not be considerably different from the value creation processes of individual consumers. Since value creation depends significantly on its context and creator, the processes may change extensively as these factors change. Hence, conceptualizing value-in-use and analyzing the value creation processes and their evaluations from a contingency perspective is much more practical and fruitful than doing so from a universal perspective, as the adoption of the universal perspective may direct the arguments to an extreme level of abstraction, and at the same time, lose the managerial implications and understandings to a large extent.

Theoretical Implications

The understandings regarding the various aspects of value-in-use form one of the basic foundations of marketing discipline. Yet, discussions on what is of value-in-use to the customer stand at a rudimentary level. This study theoretically contributes to advance that knowledge in multiple ways. First, it assists to conceptualize value-in-use in a pragmatic manner, that is, attainment of the customer's objectives. Conceptualizing value-in-use in this manner will help to decipher many unsolved theoretical puzzles, especially the ones which are related to resource acquisition, organizational capabilities, competitive advantage, and business relationships and networks.

Secondly, this paper highlights how business organizations create value-in-use through their own processes, whereas the supplier and even other actors can facilitate those processes, or participate in the same and thus to co-create value. Accordingly, more theoretical insights have been generated in relations to the customer's value creation processes, which have been referred till recently as the "black-box of consumption" (Grönroos, 2008). This also provides better explanations regarding the customer firm's actions and activities. Thirdly, researchers can understand how the value-in-use is evaluated by the business organizations, and can use the understanding to advance the existing knowledge further. Increment of contextual knowledge, which is the business-to-business context in case of this study, can also be considered as another contribution of this paper.

Managerial Implications

Several managerial implications of this conceptual study can be drawn. First, managers of the firms operating in the business-to-business markets need to realize that the offerings they provide or co-produce with their customer organizations are used by their customer firms to attain specific objectives. Hence the offerings – both goods and service activities – which allow the customer to attain their objectives better, will be more sought after by their customer firms. Managers need to closely study the objectives of their customer organizations, and design, develop, and deliver the offerings based on these understandings.

Similar conclusions can also be drawn regarding the customer's value creation processes and evaluation criterions. Closely studying those processes enable firms to develop understanding on which offerings are used in those processes, and how they are utilized. This increased understanding may influence the mental models of managers, and in turn be translated into concrete actions targeted towards producing and delivering offerings that better fit within customers' value creation processes. Understanding what is actually of value-in-use to the customer, and how the customer's processes are vital to creating and shaping this, will help managers to better support customers in multiple ways. These knowledge should lead to the delivery of the offerings which fits better within the customer's value creation processes, and receive positive evaluations from the customer organizations.

Limitations of the Study

This study develops several conceptual understanding in the context of business-to-business settings. However, in doing so, there is an underlying assumption that firms in the business market create, realize and evaluate value-in-use in more or less similar manner. In other words, in trying to capture the basics of value-in-use, their creation process, and evaluation manners, it suffers the challenge created from high level of generalizations, and even abstractions to some extent. Nevertheless, these generalizations and abstractions are needed to get broader insights and understandings, and I expect that studies in the future will sharpen the concepts even further.

Suggestions for Future Research

Much more studies are needed to appropriately comprehend the various dimensions of value-in-use. To start with, we need to know how firm's objectives are different in different situations, how the importance of a specific objective varies in relation to the others, and what kind of shape and form they take in real-life contexts. Fulfillments of the objectives deserve further research attention, too. We also need to know the empirical details of the firm's value creation processes. Similarly, although in this paper I discuss regarding the various evaluation manners of value-in-use in business-to-business contexts, there is severe lack of applicable scales which can be used to measure value-in-use objectively. Future studies should address this issue. In addition, concepts developed in this paper can act as a platform for the future empirical studies on value-in-use. Empirical investigation of the concepts proposed here will identify those that hold up in real-world scenarios, and where further improvements are needed.

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