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UNDERSTANDING CUSTOMER VALUE:
AN ACTION RESEARCH-BASED STUDY OF CONTEMPORARY MARKETING PRACTICE

Victoria Janine Little

A thesis submitted in fulfilment of the requirements for the degree of Doctor of Philosophy,
The University of Auckland, 2004
The University of Auckland

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ABSTRACT

This thesis provides a rich and thick (Geertz, 1973) understanding of customer value, and the process of customer value creation and delivery. It achieves this through a three-stage multi-method action research based study including survey work, multiple cases, and a single site industrial SME case. The study is grounded in the resource-based view (RBV) of the firm, providing a linkage between the strategic management and marketing disciplines.

The purpose of this research is to support theory development in the area of customer value. A new definition of customer value was developed, recognising the complex, dynamic and multi-dimensional nature of the construct. The definition is supported by a series of empirically based conceptual frameworks, describing the customer value construct and the customer value development process of the firm.

A number of perspectives on customer value-related marketing practice were found. Successive stages of the research identified six approaches to creating and delivering customer value: Traditional Transactional, Transitional or hybrid, Traditional Relational, Network, Systemic and Pluralistic. These approaches are not mutually exclusive. Rather, they characterise various approaches to customer value creation and delivery practiced in various contexts (e.g. for-profit and not-for-profit, consumer and industrial) and at various levels within firms (e.g. senior management, functional and front-line), strongly suggesting a contingency of practice.

The customer value creation and delivery process was conceptualised as a triad, viewed through the lens of making, keeping, and enabling promises (Gronroos, 1996). A fourth dimension, realising promises, was added, encompassing the outputs of the process (i.e. financial and non-financial value for both customer and firm).

Future research should be directed at testing and refining elements of the conceptual frameworks and value postures, offering significant benefits to practicing managers, to management education, and to theoretical understanding.
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They say a thesis is like a journey. This particular journey had a genesis over many years, with many starts, stops and twists along the way. Accordingly, many people contributed to the starting, doing and finishing of it.

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