

The concept of value in design practice – an interview study.

Katarina Wetter Edman

PhD Candidate, MFA Industrial Design

Business and Design Lab

HDK/School of Business, Economics and Law

University of Gothenburg

e-mail: Katarina.w.edman@gori.gu.se

<http://www.handels.gu.se/design>

Abstract

Use and the value thereof are implicit in the design discourse and therefore rarely explicitly spoken of, although they are at the core of design practice. With the recent turn to a service dominant logic perspective, the service marketing discourse opens up for understanding value as value-in-use and value-in-context. This paper empirically explores and describes ways in which professional designers themselves express “value-in-use”. The findings suggest that professional designers do not focus explicitly on value as a standalone concept, but conceptualize value-in-use through contextualization and an extensive use of emotions.

KEYWORDS: S-D logic, service design practice, value-in-use

Introduction

The design practices involved in the design of service interact with the service management and service marketing functions within a company (Bitner in Ostrom et al., 2010; Sangiorgi, 2009). Historically, designers of products and digital interactions and interfaces have mainly had contact with the product development department, but in the design of service, new disciplines and competences are involved. Often the stereotypes between business and design are emphasized (Liedtka, 2010; R. Martin, 2007), which is particularly relevant for design of service.

Design practice and design thinking are brought forward as beneficial for innovation, and implicitly for value creation (Leavy, 2010). Both in business and design research, there is a growing recognition that design focused on providing superior experience and value for users is instrumental for business success (Boztepe, 2007). There is a demand for further research on how designers deliver user value,

and particular research is needed for developing design practice tools and methods that would enable designers to be active in enhancing value creation (Boztepe, 2007)

The service dominant logic perspective proposed by Vargo and Lusch(2008; 2004) suggests we should understand value as value-in-use rather than value-in-exchange. Further, value is understood as co-created by the customer and the service organization (Grönroos, 2008), and expanded to value-in-social-context (Edvardsson et al., 2010). Further, a S-D logic perspective proposes that everything is seen as service in the singular, and that goods are means for service provision. These sources, however, bring forward the *view and understanding of value* and are vague about the actual content of value-in-use and value-in-context. When the value is co-created and the actual use situation is in focus rather than the exchange, methods and approaches used to interact with customer and users needs adjustment (Jaworski et al., 2006; Ostrom et al., 2010).

A perspective on value which emphasizes the use situation rather than the exchange is in line with the value creation in design (Heskett, 2009). Value, described as value-in-use and value-in-context, has been found to be almost absent in the design literature (Wetter Edman, 2009)). Still the author argues that, with regards to meaning, the understanding of value in design is an overlapping concept with the concept of value-in-use in S-D logic. One reason for the absence of a discussion of value-in-use is probably that in design, value connected to use, is implied and therefore seldom articulated.

However, the above sources bring forward value as a core concept but fail to be precise about the actual concept of 'value'. There seem to be an assumption that the concept of value is well defined and it is therefore expanded without questioning the core concept, for example in concepts such as 'value in use', 'value in context' and the 'co-creation of value'.

Discussions on value and theories thereof are present in many fields. Taking an anthropological perspective, Graeber (2001) identifies and discusses the following streams of value definitions; 1) the notion of value as conception(s) of what is ultimately good, 2) in an economic sense, 3) value as meaning and meaningful difference, and 4) value as action. In line with Graeber's definitions, this paper is situated mainly in an understanding of value and value-in-use 'in an economic sense'.

Both service marketing and service design need to better understand what constitutes value-in-use. Service dominant logic puts emphasis on value-in-use, and thus the situation of use per se. In their everyday practice designers of service work with the development and design of these situations of use, and thus the situations of value creation according to service dominant logic. But how do these designers understand and talk about value and value-in-use?

This paper explores how value is conceptualized in design practice using interviews and recording of meetings with eight designers as participants. It describes how these service designers talk about value and their perspectives on value-in-use. Through this empirical investigation the study adds knowledge to the discussion on what constitutes value in design.

The paper consists of five sections; following the introduction there is a brief overview of perspectives of value in design and the concept of value-in-use. Third comes the method section and, fourth, presentation of the findings with quotes and reflections. Finally the discussion session treats implications and directions for future research.

Perspectives on value

Value is a broad concept, present in many different fields, from economics to philosophy, sociology, anthropology and psychology and many others (e.g. Ramirez, 1999; Woodall, 2003). In this paper I rely on Graeber – an anthropologist who has identified three historical streams of thoughts of value. These are: 1) Value as the conception of doing good, which implies a notion of a universal system, 2)

Value in the economic sense; this means the notion of desirability and how much someone is willing to sacrifice to get something, and 3) Value as a sign, building on the linguistic structuralist tradition where value is a meaningful difference within a system. Graeber also suggests a forth direction, Value as action. The three first definitions are focusing on the exchange and distribution of either goods or social relation. Value as action brings focus to the combination of the two. Using Graeber's definition, this paper discusses value-in-use as understood within the economic paradigm.

The relations between design and value

Service design in its own right is rarely discussed in relation to value. One of the few examples is the design firm Livework's service usability index, constructed from a combination of qualitative and quantitative data. The index includes the description of three tools with the aim to argue for the value they create (Lovlie et al., 2008). The third tool presented, the *service usability index*, is a measure to understand design quality and possible improvements to 'release value'. The value in focus in this model is value in the perspective of the customer.

Following the same line of argument, the focus of interest for researchers within the design management field has been to argue for the value of design for company performance (e.g. Johansson, 2006; Veryzer et al., 2005). These studies have mainly focused on the impact of industrial design. This research does not take a particular interest in the value created for the customer by or through design, but focuses on the value created for the business. Implicitly this focus draws on the ideas of design role for innovation.

Design's value for organizations is also brought forward under the label of Design Thinking as a valuable resource for innovation. Often design thinking is described as having potential for innovation through the way designers 1) use and are advocates of abductive thinking (Martin, 2009) or 2) are drivers of group creativity and user involvement (Brown, 2008). An argument for value innovation has been explored through expanding Martin's rhetoric (Leavy, 2010) and claims abductive thinking as key.

Suggestions for the designers' role in value creation include designers' interpretative and propositional role in and for innovation as proposing new meanings, instead of fulfilling needs (Verganti, 2009) and the designers heightened understanding of the users' context (Boztepe, 2007). "Apart from styling, what matters to the user (in addition to the product's actual functionality) is the product's emotional and symbolic value – its *meaning*." (Verganti, 2003, italics in original)

Value for the customer, in use, in context

Value is a broad concept, present in many different discourses (e.g. Ramirez, 1999; Woodall, 2003). Traditional dominant economic theories use rhetoric that first and foremost sees value as monetary value for the firm.

Adopting an S-D logic perspective gives that everything is seen as service in the singular, that goods are means for service provision – goods derive their value when actually used¹. This notion of value-in-use has been present in earlier work. Heskett (2009) reviews major economic theories and their impact on the understanding of value created by design. Critical to the neo-classical theory that has shaped the mainstream marketing theories of the 18th and 19th century the author highlights the so-called Austrian School². Key principles are that value is situated, individual, and conceived as value-in-use, in these aspects very similar to the key concepts of S-D logic.

¹ See FP3 in Vargo & Lusch 2008.

² The Austrian School was founded by Carl Menger (1840-1921), and further developed by Friedrich von Wieser (1851-1926). For a more developed overview see Heskett, 2009. According to Heskett (ibid.) Peter Drucker has been strongly influenced by these notions in his understanding of quality.

The concept of value-in-context was introduced 2008; emphases is now not only the particular moment of use, but the entire context in which it takes place (Vargo et al., 2008). The environmental settings in which services takes place has been researched with regards to behavioral aspects, and the impact on both customers and employees in the area of service-scapes (e.g. Bitner, 1992). The concept of value-in-context has recently been expanded to include a social constructionist perspective (Edvardsson et al., 2010).

The understanding of value as created in use and in context, rather than accumulated in an production process, has been present in the Australian School of economics, as mentioned above, and other researchers have in several writings explored the co-production of value, as well as its contextual nature (e.g. Normann et al., 1993). In line with the concept of value-in-use, consumer value has been defined as “an interactive relativistic preference experience” (Holbrook, 1999, p. 5) This definition points both to the experiential and relational nature of value, as well as its creation in the interaction, i.e. co-creation.

Although the emphasis is on value as value-in-use and context, little is written on what actually constitutes this value concept. Prior to S-D logic, in 2003, Woodall (2003) deconstructed and reconstructed *Value for the customer* in an extensive conceptual paper. He distinguished five ‘primary forms’, where three are related to monetary value and two includes other aspects as: 1) the derived value for the customer understood as *use/experience outcomes* and 2) marketing value for the customer understood as perceived product attributes. The derived value for the customer is further described through the *nature* of the derived value, with aesthetic value, emotional value, social value, and play value being five out of the 17 mentioned values.

Emotions and aesthetics

Emotional value is often neglected in the service management literature, though Woodall (2003) mentions emotional value as one derivate of value-in-use. It is difficult to measure emotions, and the tradition has for long been to measure perceived service quality and even perceived value in a quantitative manner (Berry et al., 1993).

The concept of value- in-context increases the motivation to look at the situations that make up this context, specifically the complexity of people, experiences and emotions. Another approach to how to treat emotions is taken by Cook et al. (2002) in discussing the relationship between emotions and needs. They propose a needs-based approach to be potentially useful, arguing for the core needs of security, fairness and esteem. The authors connect these needs to the extreme emotions of delight and outrage, which they suggest guide design work. They associate these notions to aesthetics, whereby exemplifying by beauty brings delight to mind, while ugliness connotes outrage. They further propose that there might be a need for fun and need to experience beauty; in terms of value this can be connected to ‘play value’ and ‘aesthetic value’.

Play and aesthetics are two of the characteristics of emotional value, one of the four types of consumer value defined by Holbrook (1999), the other three being utilitarian, social and altruistic value. Woodall (2003) does not define or discuss aesthetic value per se, but regards it as a derived form of value for the customer.

Aesthetics might be understood as ‘an artistic work of aesthetic value’ or ‘responsive to or appreciative of what is pleasurable to the senses’³, an understanding that connects directly to the senses and preferable refers to the artistic domain. Buchanan argues for an extended, or in his words, the original understanding of aesthetics; “the appropriate and harmonious balancing of all user needs

³ <http://www.merriam-webster.com/dictionary/aesthetic> 2010-06-03

and wants within technical and social constraints.” (Buchanan et al., 1995), as being the core of design practice.

Summary of theoretical background

In the service marketing discourse value-in-use is explained in terms of where and how value is created. The focus is on the *change* from value-in-exchange to value-in-use, but the understanding of ‘value’ is not discussed, and neither is the understanding of ‘use’. In conclusion, we can see that the theoretical discussions on value-in-use have been derived from the existent literature on customer/consumer value. This literature is placed within the marketing discourse, and thereby placed in the understanding of value from an economic perspective. This view implies that value is seen as the measure of desirability in combination with the (monetary) sacrifice someone is willing to make.

In design, the discussion about value is related to:

- 1) the business value that design creates, as in innovation capability or impact on business performance
- 2) the ways that designers understand the end users needs, wants and expectations
- 3) the ways designers create new meaning

The second discussion seems to be intimately related to the value-in-use/context situation, to use service marketing terminology. However it is not articulated in this way, although the design of service is all about understanding and articulating this interaction. The value of design seems to be both in the way that the designers *understand the context*, and *how they propose and articulate new service propositions* i.e. provide customer value.

So how do the practitioners talk about value, in what ways do they perceive that they take part in the value creation, and do they attend to the concept of value-in-use? The following study set out to describe in what ways designers of service talk, reflect and understand value-in-use/context and their role in the creation of value.

Method of empirical study

Context

The interviews that form this paper’s empirical material are part of a broader ethnographic study exploring professional design practice in a service context. The larger study follows a design company and two of their service design projects with respective clients (see fig. 1). I have conducted fieldwork shadowing different persons in their daily work in both the design and client companies, participated in meetings and workshops, and conducted both formal and informal interviews. The interviews analyzed in this paper are part of data collected from an interview study with three different design consultants with the aim to broaden the material beyond the main consultant. The themes for the interviews were not value or value creation per se; however the topic emerged in the material.



Figure 1 Layout of ethnographic study

Sample

Interviews were with 8 designers employed at 3 different Swedish design consultants. The aim was to include experienced designers, while their individual experience of design of service could differ. The companies range from the first (A) mainly focusing on product and interface design, the second (B) with an explicit focus on design strategy, and the third (C) with a wide range of design competencies in the organization but with the roots in product design, moving towards service design through interaction design and design management. For more details on the sample see Appendix 1

Material

The empirical material consists of 5 interviews and 1 recorded meeting session. The interviews were semi structured and open ended. An interview guide depicting the themes was used by the interviewer, focusing on rather broad themes, inspired by Kvale (1997), such as the character of service design and in what ways they see users and their professional experience in the field. All the interviews were conducted at the design consultant's premises. Two of the interviews were held with two respondents in a more conversation-like setting, whereas three were single respondent interviews; in addition a recording was used from one designer-client meeting with two designers present. In total 5 interviews were held, lasting between 45 minutes to 2,5 hours, for a total of eight and a half hours recorded material. Two interviews were held in English and the remainder plus the meeting in Swedish. The interviews were conducted, recorded, listened through and transcribed by the researcher. The printed material consisted of approximately 100 pages.

Analyses

The material was read through and coded to find themes relevant for the research questions, following the steps in thematic analyses (e.g. Hayes, 1997) and inspired by content analyses (Lundman, 2004). First, items were found in the material and grouped into proto-themes, followed by final coding using redefined themes.

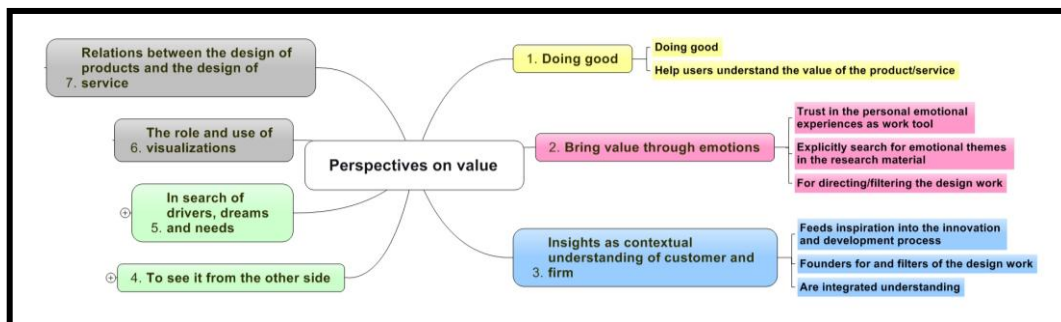


Figure 2 The seven developed themes. The three themes judged relevant for this paper and their sub-themes are expanded.

In all 24 proto-themes emerged: ones with fewer than four of the sources were discarded, leaving 17 proto-themes. In line with thematic analyses, the proto-themes were then developed and refined and developed into seven themes, see fig 2. The themes numbered 1-5 all have connections to the designers understanding of value-in-use. However the 4th and 5th are related to *in what ways* design practice is accomplished to understand value creation, e.g. accounts of what they do, rather than the conceptualization of value-in-use. Three themes were identified and judged as interesting and relevant; 1) Doing good, 2) Bringing value through emotions, 3) Insights as contextual understanding of customer and firm. These themes conceptualize value-in-use since they concern topics central for *what* drives this practice.

The reworked themes selected for the scope of this study were present in 6 or more of the transcriptions and each theme include sub-themes that cover different aspects of the main themes. For details on the themes, subthemes, and coverage in sources, etc. see Appendix 2.

The researcher assigned respondents attributes with regards to experience as designers, experience of service design projects, and size of firm. The aim was to bring light to the previous experiences and understandings the individual designers have when responding to the interviewers themes and questions, rather than for making statistical relations which was not the aim of the study, especially with a small number of respondents. The attributes were intended give a background for how to relate and interpret their answers. NVIVO7, software for quantitative analyses, was used.

Designer's concept of value

This following section presents the three selected themes through quotes and reflections on these under these respective headlines; Value in helping others, Value is in the contextual understanding and The role of emotions in designer's creation of value (for the customer and company), the section ends with a summary.

Value is in helping others

"But we always have a strong ethical compass in what we do, good can be done in other ways than just preventing peoples arms to fall off. It can be that a product that is better from an environmental aspect is chosen instead of another one. Or in other ways, like the people in that little village could keep their jobs instead of the production being moved to another place." Designer B2 (quote translated from Swedish by author)

This designer, based within strategy and service, distances himself from the Scandinavian industrial design tradition with the dominant aim to improve the physical work environment by physical ergonomics. Still, there is 'a strong ethical compass', which means that he transforms the idea of 'doing good' to embrace other issues, for example, to get someone to select something – a solution, a service – that has better implications for the environment. This connects to semantic issues and in what ways designers work consciously or unconsciously to promote and support certain behaviors. In addition, this quote embraces notions of social responsibility and social value when referring to a project where the aim was to keep the production in the country and thus save jobs. Implicitly included is the value for the client company when the project turned out to be successful.

It still seems to be a basic assumption amongst designers in the study that 'doing good' is part of their mission. In the design of service their aim is to help people understand the service better, and using service as strong parts of improving people's lives.

What is lacking in the material is an articulated understanding of the implications this position has when the design in question, as in design of service, is a social interaction and experience instead of handles of a hammer. The variation of, for example, the size of a hand is quite small in comparison with the variation of cultural patterns, individual experiences and patterns of social interaction. And thereby the question of what is ultimately good for someone in a particular situation increases immensely in complexity.

Value is in the contextual understanding

"We usually separate what is information and what is insight. Information is like raw data, insights are when we have worked with that information, processed it, sorted it and evaluated it and sort of created an understanding of the situation." Designer C3 (quote translated from Swedish by author)

Practicing designers seem to increasingly use insight to characterize the outcomes from the early research phases. In this material six of the eight designers across all firms talk about insights as the core of the value they bring to the client company.

This emphasis on insight touches a big area, again with focus on the process. The differentiation between information and insights points at awareness of what constitutes this process, and that there are crucial differences between the two. The information mentioned above is information from and about the customers, the client company, and other relevant areas such as technology and trends. This process has been related to abductive thinking and sense-making by Kolko (2010).

The expressed focus here is to *create an understanding of the situation*, as the context where the use takes place. Exactly how this is done is only captured in vague terms, but activities such as sorting, processing, and valuating are mentioned. It is seen as a truly creative activity evoking the idea of empathic ability, where the designer wants to understand the situation in order to be able to act on it. Throughout this creative work designers use their emotional capacity to guide the work.

Further, an understanding of insights as ‘integrated understanding’ was shared by five of the six respondents. Such understanding might be coupled to the understanding of ‘epistemic value’ that the designers add in transforming information and data collected in the early phases into actionable knowledge for the design of new service. Through the insights designers add contextual understanding on several levels to the client company’s previous understanding. By making the value creation situation explicit to the client company, they add value to the client company.

“And then discussions about packaging occur, apparently packaging is important then. So then I attempt to discover what kind of knowledge they have that I can bring into the project. And that is really the starting point for innovation. I come to the company without knowing what the problem is, if I already knew what it was, then I haven’t added any value, and then I’ve actually prevented innovation.” Designer B1 (quote translated from Swedish by author)

In this quote the designer reflects upon where and when he, as an individual, adds value, suggesting an implicit assumption that he, as a professional designer, should add value, and explicitly in form of innovation capability. Contradictory to the idea of the hero designer – who creates fabulous items seemingly out of nothing – this statement tells another story about the designers practice. In this situation the designer emphasizes listening, uncovering of existing knowledge, and sees this as starting point for innovation. He sees himself as a catalyst rather than the one who comes with all the brilliant ideas. The value he adds is in helping the group to see the possibilities, or re/formulate the problems. It should also be noted that he says that he looks for knowledge that ‘*I can bring to the project*’. This implies that he will bring something individually, separate from the group, to the existent project that will become part of the insights, outcomes of a more closed process. This quotation both supports and contradicts the theory of design driven innovation (Verganti 2009).

Even though the designers stress that customer research is not exclusively the foundation of the insights, the ability to take on perspective of the other, to have strong empathic skills, seem to be important in this process. Such understanding is not isolated to a specific use situation, but rather is used to express the customer’s dreams, drivers and needs in a framework that is relevant to the client company. The insights include future trends, technology and the customer findings. And once the insights are developed, presented and selected in cooperation with the client, they guide the design work that follows.

The role of emotions in designer's creation of value (for the customer and company)

"These people [within the client organization] are used to talk to each other... this year the turn over should be this and this much, it is a lot of talk in that direction, but when an industrial designer enters then 'who is the customer, have you found out who the customer is', when they do research it is based on numbers, while a designer talks about the emotions..." Designer C3 (quote translated from Swedish by author)

There is a strong emphasis in the *explicit search for emotional themes* in the research material from each designer as a way to understand, interpret and even communicate with the client. Emotions are not traditionally accepted as evaluation criteria by the managers the designers work with. The managers are most often trained in mainstream economical theories where value to the business is expressed in economic values, not in emotional themes. Value for the customers is expressed in numbers, and information about the customer is often gathered from an inside-out perspective, based on statistics that are difficult for designers to work with. Instead designers search for actionable knowledge about the customers. *Who is the customer?* is a real question, asking for detailed information, almost in terms of flesh and blood and certainly expressed in emotional themes, not numbers. The interest in emotions reflects the designers search to find out what really matters in the customers' context.

"I think a job as a design researcher, it is about emotions, and personal interpretation and we distill the information as we go, and it is a lot of grey levels, I guess of objectivity. Not having a personal opinion at that point. It's just sucking in the information and not having the interest of the client, cause some of the findings is not what the client wants." Designer A1 (quote in English)

This quote touches on many subjects and exemplifies another way that emotions occur in this material, the context of the designer's trust in his own emotional experience. The complexity of personal emotions, interpretation and objectivity is expressed here as simultaneously existing and as part of the processing phase. He brings forward the role of emotions and the importance of using and trusting the individual person for distilling the information. Then, in the next part of the statement, he places himself as an almost neutral receiver of information, withdrawing from any personal opinions. This can be seen in the perspective where he refers to the client company, and that his role is not to tweak results to make the client happy. Another important aspect is that he expresses clearly that it is not his personal opinion as designer, but what has come out of the findings of the research phase. In effect, evaluation and interpretation through individual emotions are trusted in order to understand the drivers, dreams and needs – as differentiated from mere opinions.

Discussion

This study set out to describe how designers of service talk about value. The answer? Well, they don't! The designers in this study hardly ever used the 'v'-word, suggesting that the idea of talking about value-in-use is just absurd. They seemed to be quite comfortable talking about emotions and their personal interpretation of skills instead of conceptualizing customer value. However, in light of the theoretical overview we can see that they were implicitly conceptualizing value in various ways.

Value connected to the use situations, value-in-use, was even less openly pronounced. Because use is the core of design practice, the situation of use was implicit in all their doings. They appeared to take for granted that the value is in the use. Instead of discussing the phenomena as such, the designers expressed themselves in terminology that focused on insights allowing them to understand the contextual situation, thereby articulating how they make sense of the material as a value creating activity. They added value by understanding the situation through a creative integrative process.

The designers explicitly searched for emotional themes in understanding the value creation. That emotions are a part of customer value is defined in both Holbrook's (1999), and Woodall's (2003) frameworks. The designers expressed themselves both on a personal level and as a tool in the design practice in ways that can be connected to the framework developed by Woodall (ibid.). The designers talked about how they used their personal emotions as a tool that they used extensively as part of their professional practice. This aspect of the use of emotions is omitted from the conceptual frameworks on value within the service design and service management. This omission might partly be explained by the having had the intention of giving a *raison d'être* for a service design discourse in development, and profitability measures in the other one. Fisk (in Ostrom et al. 2010) draws the connection to the arts as to a field where emotions are worked with in practice. A recent conference paper (Rylander, 2010) explores professional design practice role for innovation through the lens of Dewey's aesthetic practice. More research in this direction would certainly benefit the discussion about the ways designers add value and hence the value in design.

The designers explicitly talked about social and ethical value, in addition to ways they as individuals created value. Four respondents, across all three firms, represented the ethical pathos of 'doing good' or helping the users in one way or another. Such helping was directed towards helping the client companies and the users, both customers and employees, to understand better what they should do. This belief fosters both the designer's self-esteem and the idea of design as a profession with ethical standards. Broadening the perspective to Graebers (2001) definition of value as doing good, this implies a belief in something universally desirable in human life, as mentioned earlier. In industrial design, when the usage of the product should not harm the user, a belief in 'doing good' can be seen as a good ethical practice. Now these designers are (re)constructing people's behavior. An important question to ask becomes, in what ways does this belief in a common good affect the design of service? And how to make sure that it is not harmful for the people involved in the long run?

Directions for further research

This paper is descriptive, attending to what the designers articulated in the interviews and meetings. A future step could be to interpret the material through a search for examples of underlying patterns and assumptions. Another suggestion is to relate and discuss the material in light of the various 'streams' of value suggested by Graeber (2001), and an interesting direction could be to discuss the concept of value-in-use from the perspective of value as action. The question arises, is it possible to fully understand value-in-use from the literature of customer/consumer value? However, it is the author's conviction that both design research and research related to the service dominant logic would benefit from opening up to other perspectives on value, especially in the understanding of value-in-use/context.

There is an interest in integrating design perspective into the service marketing. In an article pointing out 10 research priorities for the science of service, Ostrom and colleagues (2010) integrate 'design thinking' into service practices processes and systems. Researchers interested in service design from a design perspective would equally benefit from integrating these perspectives.

References

- Berry, L. L., & Parasuraman, A. (1993). Building a new academic field--The case of services marketing. *Journal of Retailing*, 69(1), 13-60.
- Bitner, M. J. (1992). Servicescapes: The Impact of Physical Surroundings on Customers and Employees. *Journal of Marketing*, 56(April 1992), 57-71.
- Boztepe, S. (2007). User Value: Competing Theories and Models. *International Journal of Design*, 1(2), 55-63.

- Brown, T. (2008). Design Thinking. *Harvard Business Review*(June), 1-11.
- Buchanan, R., & Margolin, V. (1995). *Discovering Design: Explorations in Design Studies*. Chicago: The University of Chicago Press.
- Cook, L. S., Bowen, D. E., Chase, R. B., Dasu, S., Stewart, D. M., & Tansik, D. A. (2002). Human issues in service design. *Journal of Operations Management*, 20(2), 159-174.
- Edvardsson, B., Tronvoll, B., & Gruber, T. (2010). Expanding understanding of service exchange and value co-creation: a social construction approach. *Journal of the Academy of Marketing Science*.
- Graeber, D. (2001). *Toward an anthropological theory of value : the false coin of our own dreams*. New York ;: Palgrave.
- Grönroos, C. (2008). Service logic revisited: who creates value? And who co-creates. *European Business Review*, 20(4), 298-314.
- Hayes, N. (1997). *Doing qualitative analysis in psychology*. Hove: Psychology Press.
- Heskett, J. (2009). Creating Economic Value by Design. *International Journal of Design*, 3(1).
- Holbrook, M. B. (1999). *Consumer value : a framework for analysis and research*. London: Routledge.
- Jaworski, B., & Kohli, A. (2006). Co-creating the Voice of the Customer In R. F. Lusch & S. L. Vargo (Eds.), *In The Service-dominant Logic of Marketing: Dialog, debate, and directions*. : M.E.Sharpe.
- Johansson, U. (2006). *Design som utvecklingskraft: En utvärdering av regeringens designsatsning 2003-2005*. Växjö: Växjö University Press.
- Kolko, J. (2010). Abductive Thinking and Sensemaking: The Drivers of Design Synthesis. *Design Issues*, 26(1), 15-28.
- Kvale, S., & Torhell, S.-E. (1997). *Den kvalitativa forskningsintervjun*. Lund: Studentlitteratur.
- Leavy, B. (2010). Design thinking – a new mental model of value innovation. *Strategy & Leadership*, 38(3), 5-14.
- Liedtka, J. (2010). Business Strategy and Design: Can this Marriage Be Saved? *Design Management Review*, 21(2), 6-11.
- Lovlie, L., Downs, C., & Reason, B. (2008). Bottom-line Experiences: Measuring the Value of Design in Service. *Design Management Review*, 19(1), 72-79.
- Lundman, U. H. G. (2004). Qualitative content analysis in nursing research: concepts, procedures and measures to achieve trustworthiness. *Nurse Education Today*, 24, 105-112.
- Martin. (2009). *The design of business : why design thinking is the next competitive advantage*. Boston, Mass.: Harvard Business Press.
- Martin, R. (2007). Design and Business, why can't we be friends? *Journal of Business Strategy*, 28(4), 6-12.
- Normann, R., & Ramirez, R. (1993). From Value Chain to Value Constellation: Designing Interactive Strategy. *Harvard Business Review*, 71(4), 65-77.
- Ostrom, A., Bitner, M. J., Brown, S., Burkhard, K., Goul, M., Smith-Daniels, V., et al. (2010). Moving Forward and Making a Difference: Research Priorities for the Science of Service *Journal of Service Research*, 13(4), 31.
- Ramirez, R. (1999). Value co-production: intellectual origins and implications for practice and research. *Strategic Management Journal*, 20(1), 49-65.
- Rylander, A. (2010). *Unpacking the Magic of Design: Design-Driven Innovation as Aesthetic Experience*. Paper presented at the 26th EGOS Colloquium.
- Sangiorgi, D. (2009). *Building up a framework for service design research*. Paper presented at the 8th European Academy of Design Conference.
- Vargo, & Lusch. (2008). Service-dominant logic: continuing the evolution. *Journal of Academic Marketing Science*, 36(1), 1-10.
- Vargo, S., & Lusch, R. (2004). Evolving to a new dominant logic of marketing. *Journal of Marketing*, 68(1), 1-17.
- Vargo, S., Maglio, P., & Akaka, M. (2008). On value and value co-creation: A service systems and service logic perspective. *European Management Journal*, 26, 145-152.
- Verganti, R. (2003). Design as brokering of languages: Innovation strategies in Italian firms. *Design Management Journal (Former Series)*, 14(3), 34-42.
- Verganti, R. (2009). *Design driven innovation : changing the rules of competition by radically innovating what things mean*. Harvard Business Press: Boston.
- Veryzer, R. W., & Borja de Mozota, B. (2005). The Impact of User-Oriented Design on New Product Development: An Examination of Fundamental Relationships*. *Journal of Product Innovation Management*, 22(2), 128-143.

- Wetter Edman, K. (2009). *Exploring Overlaps and Differences in Service Dominant Logic and Design Thinking*. Paper presented at the DeThinking Service ReThinking Design, First Nordic Conference on Service Design and Service innovation.
- Woodall, T. (2003). Conceptualising 'Value for the Customer': An Attributional, structural and dispositional analysis. *Academy of Marketing Science Review*, 12.

Appendix 1

Although the sample of companies are from a restricted geographical area, 2 of the designers were educated in USA, 2 in UK and several had work experience from other countries. The size of the companies differs in number of employees from 5 – 40, but all work with global clients.

All but one of the interviewed designers are educated industrial/product designers and with a work experience exceeding 5 years. The eight designer is trained and educated in graphic design. Three of the designers also had education in design management. Further all but one designer are male since these were the persons assigned from each organization.

Appendix 2

Name	Sources	References	Created
PERSPECTIVES ON VALUE			
Doing good	6	15	
		Sources	References
Doing good		2	3
Help people understand the value of the service		3	3
In what ways the designer add value		3	7
Insights as contextual understanding of customer and firm	6	25	
		Sources	References
Are integrated understanding		5	8
Feeds inspiration into the innovation and development process		2	7
Founders for and Filters of the design work		3	7
Bring value through emotions	6	15	
		Sources	References
Explicitly search for emotional themes in the research material		4	5
For directing and filtering design work		3	6
Trust in the personal emotional experiences as work tool		2	4
In search of dreams, drivers and needs	7	21	
		Sources	References
Co-creation for understanding value creatin processes		6	9
Observation of staged events		2	2
Observation of naturally occuring events		3	5
Prototypes as enactment of value creating processes		3	4
To see it from the other side	5	18	
		Sources	References
Attempt to understand the whole flow-experience		3	9
Use of emphatic ability to understand the users situations		5	9