

Value and Valuation in Business Markets: Exploring the Role of Expectations and Experiences in Transactions and Relationships

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Value is a key concept in marketing. This is reflected in the American Marketing Association's definition of marketing as "the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large" (2017). Since customers in business markets are firms, the quantifiability of customer-perceived value is often emphasized in this field for two reasons. First, it is assumed that companies tend to make "rational" decisions based on "facts and figures". Second, decision makers typically need to justify their purchasing decisions, which is easier if they rely on quantification than on poorly traceable assessments.

By borrowing and adapting conceptualizations from consumer marketing (Zeithaml, 1988; Monroe, 1990), early conceptualizations of customer-perceived value in business markets developed an understanding of value as a trade-off between costs and benefits in market exchange (Kumar & Reinartz, 2016) as embodied in market offerings (i.e., goods, services, and combinations thereof) (Anderson & Narus, 1998; Plank & Ferrin 2002). As a consequence, in the early 2000s, value quantification and communication were firmly established as part of the "toolbox" of value-based selling (e.g., Terho et al., 2012, 2017).

Downsized supplier portfolios and the implementation of "preferred supplier" programs in many industries during the late 1990s and early 2000s put the spotlight on the value of ongoing business relationships (Kalwani & Narayandas, 1995; Spekman, 1988). This shift fostered the practical importance, as well as the conceptualization and exploration, of relationship value in academia. For example, Ulaga and Eggert (2006) proposed and tested a conceptualization of relationship value that perceives value in a supplier relationship not as a trade-off between price and quality, for example, but as a multidimensional construct to which a number of dimensions contribute.

Recent research on value experienced in customer usage processes (e.g., Huber & Kleinaltenkamp, 2020; Macdonald et al. 2016) as well as emerging practical developments in the field of complex servitized offerings raise issues and puzzles not reflected in these two dominating conceptualizations of value in business markets (Lindgreen & Wynstra, 2005; Lindgreen et al., 2012) for three reasons. First, current value conceptualizations do not capture the linkages between value expectations that are established in purchasing activities and value experiences that emerge in usage processes. Second, they do not account for the differences between genuine subjective dimensions and genuine social-organizational dimensions and their interplay in the buying and usage processes of organizations. Third, they disregard the complex interactions between single transactions and ongoing business relationships.

In his seminal work on customer-perceived value, Woodruff (1997) defines value as a "customer's perceived preference for, and evaluation of, those product attributes, attribute performances, and consequences that arise from use and that facilitate, or block, the customers in achieving their goals and purposes in use" (p. 142). This goal-based value perspective resonates with both the behavioral theory of the firm (Cyert & March, 1963) and

the theory of goal-directed behavior (Bagozzi, 1997; Perugini & Bagozzi, 2001), both of which view goals and their achievement as significant drivers of human as well as of organizational behavior. Consequently, based on this understanding, Kleinaltenkamp et al. (2022) derived a unifying goal-related conceptualization of customer-perceived value in business markets that sees value as an “*entity’s contribution to goal achievement*” that is “*always subjectively perceived by individual actors*” (p. 4). This conceptualization results in a typology of value concepts that differentiates between (1) individual and collective value, (2) expected and experienced value, and (3) transactional and relational value perceptions. Value in business markets thus represents a more complex phenomenon than previously discussed in the B2B marketing, but also the supply chain, or operations management literatures.

By referring back to the common root of goal achievement, this new conceptualization of value is able to overcome the issues that the separation of the previously dominating two approaches caused. At the same time, it raises new questions that promise interesting new research avenues. Building on and extending this understanding, this special issue of the *Journal of Business & Industrial Marketing* seeks contributions to the following themes, while not being limited to them:

(1) Differences and interactions between individual and collective value perceptions

- Where are different goals located in a goal hierarchy?
- To what extent does the achievement of low-level goals contribute to the achievement of high-level goals such as efficiency, effectiveness, or profit?
- How do goals differ among various actors in a customer firm?
- How do actors differ with respect to the way they assess goal achievement?
- What type of data are used to assess goal achievement?
- What role do heuristics play in the assessment of goal achievement?
- Which criteria should be used to measure goal achievement?
- Are there individual desires and goals that only exist in a business context?
- Do individual desires and goals change when an individual acts in a business context?
- To what extent do individual and collective goals differ?
- To what extent do the ways of assessing goal achievement differ between individual and collective goals?
- How does an alignment of collective goal perceptions emerge?
- What are the consequences of goal conflicts on the collective level?
- How do interaction effects occur between individual and collective goal achievement?
- Do interaction effects between individual and collective goal achievement differ with respect to an individual’s membership in a buying or usage center?

(2) Factors influencing expected and experienced value

- How do actors within customer firms develop their value expectations?
- How do the various spheres of influence (past experiences, suppliers’ value propositions, other stakeholders) affect the emergence of actors’ expectations?
- How does an actor’s expertise affect the emergence of his/her expectations?
- Do expectation formations differ between members of a buying or a usage center?
- How does experienced value develop over time?
- Which value experiences dominate a value assessment at a certain point in time?
- Which drivers and dimensions of experienced value have more or less influence on re-buy decisions?

- How does the quality of customer contributions to usage processes influence experienced value?
 - How well are managerial responsibilities and organizational structures adjusted to customer-driven valuation?
- (3) Differences and the interplay between transactional and relational value
- How do aspects that relate to the past of business relationship combine with those that relate to the future of the relationship?
 - When do certain past- or future-related aspects dominate assessments of relationship value, and why?
 - How do certain dimensions of relational value affect dimensions of expected value in use?
 - How do certain dimensions of experienced value in use affect relational value?

We consider all papers which contribute to the progress in the conceptualization of value in business markets. As the emphasis of this special issue is on the conceptualization of value in business markets, we also welcome empirical and analytical approaches that contribute to our understanding of value in business markets. Furthermore, we encourage authors interested in submitting an article to the Special Issue to present their work in a Special Session at a workshop to be held in Berlin from September 26 to 27, 2023. For more information, visit the **workshop site**:

<https://www.wiwiss.fu-berlin.de/fachbereich/bwl/marketing/forschung/Workshop-Value-and-Valuation/index.html>

Authors aiming to submit articles to the special issue need to submit through the **Journal of Business & Industrial Marketing (JBIM)** website. Promising submissions will be considered for a double blind review process. Extended abstracts submitted for the Berlin Workshop can and should be used to prepare for the development and submission of papers to JBIM special issue.

Submissions need to be designated to the “Value and Valuation in Business Markets” Special Issue section on the JBIM website, which will open on 10/1/2023 via

<https://mc.manuscriptcentral.com/jbim>.

Overview on submission dates and deadlines:

- June 15, 2023: Extended abstracts (max. 5 Pages, single spaced) of submissions for the Berlin workshop. See the workshop site for submission details.
- September 26-27, 2023: Special Session: “Value and Valuation in Business Markets” at the Berlin workshop.
- October 1, 2023: Submission of full papers to the Special Issue opens.
- December 31, 2023: Deadline for Special Issue submission.

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