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Service development as practice: A rhetorical analysis of customer-related arguments in a service development project

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Ethnography;
Marketing as practice;
Rhetoric;
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Summary In this paper, in order to examine service development *as practice*, we draw on extensive ethnographic material covering an entire service development process. Through a rhetorical lens, we identify what types of customer-related arguments the project members use in order to drive the development process forward and confront these findings with service development literature. We find that customer orientation is rhetorically present mostly when it comes to what the team *should* do (i.e. appeals to *ethos*, expressed as identification with the customer but also as guilt). However, this type of rhetoric does not lead to action as prescribed by normative marketing literature – such as formal acquisition of and reliance on market research – due to more decisive arguments about resources.

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Introduction

It has been noted by a number of scholars that academic marketing research in general is dominated by a normative approach (e.g. Hackley, 2003; Skålen, Fougère, & Felleson, 2008) and that it would benefit from field work in order to *study practice* rather than prescribe practices (e.g. Brownlie & Saren, 1997). Similarly, academic marketing literature more specifically relevant to service development has mostly focused on prescribing practices for marketing practitioners (e.g. Biemans, 2003; Workman, 1993). In this literature, it is advocated that in line with the notion of customer orientation, the developers *should* discover, understand and satisfy the expressed and latent needs of the customer (Johné & Storey, 1998; Kristensson, Matthing, & Johansson, 2008; Narver, Slater,

& MacLachlan, 2004). They are thus expected to turn to the customer and to conduct formal market research, which, in turn, is supposed to inform them about customer needs and preferences. Hence, the firm is allegedly given an opportunity to develop its services in the direction of the ‘voice of the customer’ (Griffin & Hauser, 1993). Such a ‘customer oriented’ development process, it is argued, contributes positively to the performance of the firm (see e.g. Slater, 2001). Due to characteristics of services as opposed to products it has been suggested that customer orientation plays a more important role in service firms (Alam & Perry, 2002).

Although there is a general agreement in marketing research on service development about the importance of focusing on the customer and acquiring information from the customer about her/his needs and preferences, there has been little descriptive research providing knowledge about service development as it is actually practiced. In addition, to our knowledge there has been no field research that has longitudinally investigated how this customer focus is translated in practice during an entire service development process. In line

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with the scope of this special issue, and unlike the overwhelming majority of existing research on service development, we are not interested in how the development process *should be* conducted (i.e. prescribed service development *practices*), but rather in how it *is* conducted by practitioners (i.e. service development *praxis*). In addition, we focus on *process* rather than *outcome*, in line with the major works within the emerging subfield of marketing as practice (e.g. Kjellberg & Helgesson, 2007a, 2007b; Schau, Muñoz, & Arnould, 2009). In order to examine service development praxis, we draw on extensive ethnographic material covering a service development project – the incremental development of a bank’s website – over more than a year, from the beginning of development work to the launch of the new service.

Service development is usually carried out as a project with numerous meetings throughout the process (for a discussion of general characteristics of service development processes, see e.g. Edvardsson, 1996). Thus, much of the development work is done through discussions among the development team members on how to develop the service further. In these discussions, different team members argue for their views on how to drive the development forward. If we are to believe the mainly normative findings from the streams of marketing literature that are relevant to service development and typically emphasize the importance of a customer focus, we should then expect that the types of arguments that are considered valid in the development team – and thereby prove decisive in driving the development forward – should be in line with the prescriptions from that literature. Our more specific aims are thus to (1) identify, through a rhetorical lens, what types of customer-related arguments the project members use in order to drive the development process forward, and in turn to (2) confront these findings with relevant literature on service development (i.e. confronting observation of praxis with prescribed practices), in order to clearly establish our contribution to the study of service development. Using rhetoric as an analytical lens can make it possible to generate an understanding of both (1) how ‘present’ the customer is in the practitioners’ arguments and their development decisions and (2) in what types of arguments the customer is rhetorically ‘present’ in studied development projects – including whether this presence is manifested in a manner corresponding to that prescribed by extant service development literature.

The present paper is structured as follows. This introduction is followed by a lengthy theoretical section, in which (1) we review relevant academic marketing research on service development, and (2) we discuss how we use rhetoric as an analytical lens that can contribute to an understanding of service development as practice. We then move on to describing the case itself and our ethnographic research approach. In the next section we present our findings from the empirical material (thereby addressing our first aim), and then conclude by recapitulating our main findings, confronting them with relevant literature (thereby addressing our second aim), discussing our contributions and suggesting avenues for further research.

Literature review and theory framework

This theoretical section is divided into two subsections. First, we review the three streams of marketing research that we have identified as the most relevant to the study of service

development, and summarize their main findings. This is meant to lay out what the most important characteristics of a development process *should be* according to these influential streams, which will serve as a basis for our synthesis of what types of arguments should be expected to be valid in a service development process. Second, we introduce rhetoric as an analytical framework and suggest how rhetoric may contribute to academic marketing research on service development through an understanding of service development as practice, relying on terminology from practice theory. In this second subsection we present the types of arguments that, based on the first subsection, should be expected to drive a service development process forward, in order to facilitate the confrontation of our findings with extant literature later on in the paper.

Literature review: three marketing streams on service development

Within marketing literature relevant to service development, we identified three main research streams that discuss the importance of focusing on the customer during the development process: (1) the *success/failure* stream, (2) the *means/method* stream and (3) the *incremental/radical* stream.

The success/failure stream

The aim in this research stream is to identify and describe those ‘critical’ factors that determine the performance of the outcome of the development process: in other words, whether the new service is to be labelled a success or a failure. The underlying premise is that retrospective analysis of past successes and failures provides insights that can help firms to avoid pitfalls and manage the development process more efficiently. Hence, this stream aims to prescribe what ought to be and what practitioners ought to do. One example of a typical study in this stream is a much cited investigation by de Brentani (1991). She investigated 150 successes and 126 failures in 115 firms within several service sectors and found that one of the most influential success factors was that the development project had a ‘detailed/formal new service development process’. According to de Brentani (1991: 44), this means that the following activities are performed in the development process:

a number of up-front activities, including in-depth market studies, customer researched concept descriptions. . .pre-launch testing to determine customer response. . .

In addition to the argued positive relationship between market research and new service success (e.g. Athanassopoulou & John, 2004; de Brentani, 1991; Edgett & Parkinson, 1994) it is also argued within this stream that an understanding of customer needs through the conduct of market research is essential in order to *prevent* financial loss or new service failure (Oldenboom & Abratt, 2000). While several authors argue that turning to the customer is more important to new service success at certain key stages of the development process (e.g. Martin & Horne, 1995; von Hippel, 1988), others emphasize the need for customer input to be obtained throughout the whole service development process (e.g. Alam & Perry, 2002; Carbonell, Rodriguez-Escudero, & Devashish, 2009).

In this stream a distinction is sometimes made between the so-called 'latent' and the 'expressed' needs of the customer (e.g. Narver et al., 2004). An expressed need is one which the customer is aware of whereas a latent need is one that is 'not in the consciousness of the customer' (Narver et al., 2004: 336). It has been suggested that to develop a successful service it is very important that the developer should understand the customer's *latent* needs (Kristensson et al., 2008).

In order to identify the 'critical' success factors, studies in the success/failure stream focus on a broad range of variables related to the management of the development process. Thus, the perspective is often broad in terms of the number of variables investigated, and subsequently low in level of detail. Typically, researchers use surveys with self-administered questionnaires in which the respondent is asked to select two recently developed outcomes, one success and one failure, and thereafter rate (on a 5- or 7-point Likert scale) how much s/he agrees with a predetermined statement representing the variable that caused the success of the developed outcome. The methodological approach typically used in this stream to generate normative prescriptions has been criticised, for example by Brown and Eisenhardt (1995: 353).

Individuals often are asked to quantify subjective judgments surrounding long lists of success and failure factors... Thus, the research results are likely to suffer from a host of attributional and other biases, memory lapses and myopia, which are associated with subjective, retrospective sense-making tasks.

The means/method stream

This stream focuses on how customer information can or should be acquired with the purpose of using it in development. The underlying premise is that services that are developed based on information about customer needs and preferences perform successfully. There is a general agreement that the content and quality of the acquired information is largely dependent on the means employed to generate it. This has resulted in a large number of competing prescriptions of the way or method the developer ought to use to obtain customer input. For example, *the lead user method* presented by von Hippel (1986) is an often cited example recommended to be applied on those 'users whose present strong needs will become general in a marketplace months or years in the future' (1986: 791). Hence, this group of users, it is argued, can serve as a 'need-forecasting laboratory for marketing research' (von Hippel, 1986: 791). *Empathic design* (Leonard & Rayport, 1997) is presented as particularly useful when the customers themselves do not recognise their needs. The key idea is to observe the customer in her/his 'natural setting' while s/he is using the service in order to identify the user's possible problems and needs. *Focus group* interviews or discussions are also recommended (e.g. Alam, 2002; Lagrosen, 2005): this method is based on the assumption that group synergies produce more information on customer needs as each customer builds upon the ideas of the others. Stemming from the total quality management movement is the recommended *QFD* (Quality Function Deployment) method. This has been described as a system to assure that the 'voice of the customer' is translated into product design and has been applied in both product and service

development contexts (e.g. Griffin & Hauser, 1993). It has also been argued that the Internet could be used to acquire customer information, since this channel makes it feasible to reach a large number of customers in an inexpensive way (Urban & Hauser, 2004), and that through electronic channels companies can 'engage in ongoing dialogues, through which they may achieve mutual understanding and interpretations with customers' (Blazevic & Lievens, 2008: 138–139). Hence, methods such as *listening-in* (Urban & Hauser, 2004) and *customer virtual integration* (Fuller & Matzler, 2007) have been recommended. Some methods are recommended as suitable at certain stages of the development process while others are argued to facilitate customer information acquisition throughout the development process. If a method specific only to a certain stage is used, then it is prescribed that the developer should employ a combination of several methods, implying that customer input should be obtained throughout the entire development process.

Two general key characteristics among the means and methods suggested in this stream of literature can be identified. First, the information should be *formally* acquired. This means that typically, the acquisition is planned, has a goal and is solicited according to a predetermined structure or form. Second, the customer is the *primary* and *direct* source of the acquisition: a basic assumption is that information *about* the customer should be directly acquired *from* that customer.

Methodologically speaking, and as noted by Nijssen and Lieshout (1995), little is actually known about the extent to which, and the way in which, information from the customer is actually collected in real cases of service development praxis. Instead, taken together, this research stream normatively recommends, without much empirically based research, numerous sophisticated methods to be used by practitioners in order to bring the voice of the customer into the development process.

The incremental/radical stream

This stream discusses the customer focus in relation to incremental and radical new innovations. The terms 'incremental' and 'radical' refer to the degree of novelty or newness of the new service. The innovation is viewed as existing on a continuum ranging from 'radical' to one that is just 'incremental' in nature. Hence, radical and incremental services represent the opposite ends of the newness spectrum. Since the investigated service development case is about an incremental service, the findings from this stream that are most relevant to the present study relate to incremental innovations.

Two sub-streams can be identified within the incremental/radical stream. First, some studies focus on how customer input relates to new incremental/radical innovations and their performance. In this sub-stream it is argued that the factors that contribute to the success/failure of the new innovation may differ depending on whether the new service is radical or incremental, and thus studies tend to be comparative between radical and incremental new services. Very few of these studies are empirically based and the results of these are rather mixed. It has been found in one study that customer input contributes positively to the performance of developed services when they are incremental, but not when they are radical (de Brentani, 1991). On the other hand,

several other studies examining incremental product or service innovations have been more inconclusive regarding whether customer input contributes positively to performance (e.g. Avlonitis & Papastathopoulou, 2001; Rochford & Rudelius, 1997; Song & Montoya-Weiss, 1998).

Second, in the other sub-stream, studies focus on how customer input relates to the degree of newness of the developed innovation. Studies are conceptual with prescriptions supported by illustrative empirical examples. The majority of these prescribe that customer input should be acquired in the case of incremental new services, but not in the case of radical ones (e.g. Hamel & Prahalad, 1994; Martin & Faircloth, 1995; Ulwick, 2002).

Key summarizing points

We conclude this review with four key summarizing points. First, in all three streams there is a call for a 'customer focus' or 'customer orientation', meaning that developers are expected to have the customer in mind when developing the service. Second, methodologically speaking, in all three streams there is a normative bias, which has also been noted by other researchers (cf. Biemans, 2003; Workman, 1993). Third, based on the *success/failure* stream in particular, it is argued that the developers ought to understand customer needs – especially *latent* needs – if they want to be successful. Fourth, based on the *means/methods* stream in particular, it is recommended that in order to reach this understanding the developers should perform formal market research activities. Fifth, based on the *incremental/radical* stream, the importance of obtaining customer input in order to develop the service successfully is most central for incremental service development.

A rhetorical approach to the study of service development as practice

We first present rhetoric as analytical framework in general terms and then proceed to suggesting how rhetoric may contribute to marketing research on service development through an understanding of service development as practice, relying on terminology from practice theory.

Rhetoric as analytical framework

In this paper, we look at rhetoric – most commonly defined as 'the art of persuasion' (Aristotle, 1991) – in a broad sense. Instead of focusing on rhetoric as manipulation, which is perhaps the most common view in management research (see e.g. Barley & Kunda, 1992; David & Strang, 2006; Markel, 2005; Oakes, Townley, & Cooper, 1998), we are interested in it to the extent that it 'permeates human interaction as long as language is used deliberately' (Hartelius & Browning, 2008: 19). Since using language deliberately is what managers spend most of their time doing (see Mintzberg, 1973), rhetoric can be seen as a central aspect of management (and marketing) practice. It is thus not surprising that rhetoric in this broader sense of a mundane aspect of human action (Watson, 1995) has been increasingly used as an analytical lens by management scholars in recent years (e.g. Green, 2004; Heracleous & Barrett, 2001).

When examining the service development project, our focus on rhetoric allows us to study how team members use language and symbols (Hartelius & Browning, 2008) in order

to drive the development process along their views. These rhetorical strategies they use are not necessarily conscious (cf. Suddaby & Greenwood, 2005). In addition, the fact that they seek to persuade others of the soundness of their arguments does not mean that they are not also at times changing their views based on others' arguments.

As a first lens of analysis, we use the classical trilogy of *ethos*, *pathos* and *logos*, which can be seen as the foundational framework of rhetorical theory (see e.g. Hartelius & Browning, 2008; Haskins, 2004; Molina & Spicer, 2004). In our adaptation of this framework to our empirical material, arguments relying on *ethos* are those that appeal to the professionalism and deontology (i.e. the practical, professional ethic, concerned with doing things 'the right way') of the members, arguments relying on *pathos* are those that appeal to the emotions of the members, and arguments relying on *logos* are those that appeal to the particular rationality that characterizes the team. It is important to note that arguments can rely on all three at once and that it is not always clear what is the most decisive aspect of an argument, whether it is of a more ethical, emotional or rational nature.

Rhetoric and service development as practice

Our rhetorical approach is meant to allow us to identify what types of customer-related arguments marketing practitioners use in order to drive the development process forward, and in turn to confront these findings with academic marketing literature relevant to service development. In order to do this, we first need an understanding of the types of arguments that, based on service development literature, would be expected to be valid in driving the development process forward. As suggested in the key summarizing points of our literature review of the three relevant streams, the most important characteristics of a development process *should* be that: (1) project team members should be 'customer oriented', which in our view has implications mostly in terms of *ethos* – as the normative call for customer orientation can be seen as chiefly characterizing the ethic of marketing (see Skålén et al., 2008) – although this also has an impact on *pathos* – as 'empathy', for instance, is central to customer orientation – and on *logos* – as customer orientation also sets up a specific 'marketing rationality'; and (2) they should collect information on the customer's wants and needs (including 'latent' ones) through appropriate methods (surveys, focus groups, etc.), analyse the results and in turn develop the service accordingly – meaning that we can expect that they use this information when driving the development forward.

Using rhetoric as an analytical lens can contribute to service development research in two main ways. First, it can make it possible to generate an understanding of how customer-focused service development projects are in practice, i.e. by addressing the question: how 'present' is the customer in the practitioners' arguments and their development decisions? Second, it can provide us with an understanding of how – in terms of appeals to *ethos*, *pathos* and *logos* – the customer is rhetorically 'present' in studied development projects. Is the customer 'present' in the manner prescribed by extant service development literature? What may be the reasons for confirmations of and deviations from what the literature suggests?

The practice theory framework involving practices, praxis and practitioners, used by Whittington (2006) for the purpose of studying strategy as practice can prove useful here, in a slightly adapted way, as terminology that makes it possible to articulate the relation between (1) the *practices* that are prescribed in academic marketing literature, (2) the actual *praxis* as observed through our ethnography of the service development project, and (3) the marketing *practitioners* involved in the service development process. In line with Whittington's understanding of practice, practitioners may be expected to rely on organizational and extra-organizational practices in their praxis, but at the same time they may also '[change] the ingredients of their praxis' (Whittington, 2006: 620). In this paper praxis is observed through an ethnographic approach that has strived to avoid preconceptions as much as possible. Thus, we will not systematically reflect on the interplay between praxis and prescribed practices when presenting our findings: what we will do there is describe *praxis*, and only in our discussion will we compare these insights from the empirical study to *practices* as prescribed in service development literature. We are aware that a practice approach to marketing may have a broader interest in practices not just as prescribed procedures but also as tacit understandings and emotional engagements (see Schau et al., 2009) but in this paper we delimit our comparison between praxis and practices to a confrontation of our findings with academic literature.

Research approach: ethnographic material and data analysis

A number of marketing researchers (e.g. Biemans, 2003; Workman, 1993) have noted that within product and service development literature much effort has been directed toward developing normative procedures to help managers but little field research has been conducted on development work in practice. As an answer to the need for more insights from the field, we draw on extensive ethnographic material to study service development practice and more specifically the rhetoric used by the members of a service development project. An ethnographic approach¹ is particularly suitable here as it provides rich descriptive detail on the project (e.g. Aull-Davies, 2005). This section includes thorough descriptions of (1) the research setting, (2) the data collection process, and (3) the data analysis process.

Research setting: the case and informants

The incremental development process of a bank's website constituted the case and context for the investigation. The development process started in February 2004 with a pre-study (including focus group interviews), but then was put on hold until February 2005. The conducted field study started in February 2005 and ended some time after the launch of the website in March 2006.

¹ It should be noted here that we do not treat ethnography as a totally separate epistemic contribution to social science but as a research method that may complement other qualitative methods used in social sciences.

The bank's website consists of two parts, an online bank that is available only to the bank's customers and a portal that is open to anyone. It is the portal that was the focus of the development. This part consists of information about the bank's services (e.g. different kinds of accounts, loans, bank and credit cards, etc.) the location of branch offices, contact information, the organization of the bank, etc. The login to the online bank is also a part of the website's open part, which means that users of the online bank have to go via this part. Three aspects of the website were developed; (1) the content, i.e. what information to include and how it should be expressed and exposed; (2) the structure, that is, under what heading and on what hierarchical levels to put the content; and (3) the functionality, that is, underlying technology that cannot be seen by the visitor but still influences what is seen, for example, the navigation logic, interactivity of content, cookies, etc.

The development was organized as a project involving people at the bank from different functional areas and external consultants. The informants with their development tasks and responsibilities were divided into (1) the project board, (2) the core development team and (3) the reference group.

The project board

The project board consisted of two informants: Mr. Director of Business Development and Mrs. Director of Human Resources. According to an insider document labelled 'the project plan', the purpose of the board was 'to support the project leader and to ensure that the development process is performed within the limits of the specified budget and time frame' (p. 5). This means, for example, that to formally change the launch date (which happened on several occasions), the project leader had to meet the project board.

The core development team

The core development team represented the study's key informants, as they were involved in the day-to-day practices of the development. Hence, the majority of the observations are from meetings between members of this group. The key informants belonging to the core development team were Mr. Project Leader and Mr. Technician (from the business development function), Mr. Marketing Manager and Ms. Marketing Manager (from the marketing function) and Mr. Technical Project Leader (from the bank's IT function). Since Mr. Project Leader had the main operational responsibility of the development, he was the study's main key informant.

The reference group

The reference group consisted of four informants: Mrs. Call Centre, Mrs. Sales Director, Mr. Private Banking and Mrs. Business Support. Based on the information from the core development team, this group gave ideas and feedback on the development, but did not have any formal decision-making power. The reference group was also responsible for continuously communicating back the proceeding development work to the rest of the organization, and for reporting internal feedback to the development team, after which the project leader decided upon revision.

Data collection

The empirical material was originally collected by Author 1 with the purpose to identify and describe the role of customer information in a service development project. The material was primarily collected through participant observation of development meetings where the project members were reasoning, negotiating, making decisions on the development, performing development activities, reviewing completed 'action points' and assigning new ones within the team. As noted by Aull-Davies (2005) observation facilitates unobtrusiveness as it allows the researcher to collect data from a distance and to keep interaction to a minimum. Hence, Author 1 passively observed 'speech-in-action' (Stewart, 1998) and at all times strove to interfere as little as possible. However, in one or two observations she did ask a clarifying question – in line with ethnography, she then avoided to ask a 'why' question as this kind of question may convey an evaluative judgment and is less likely to generate descriptive information (Spradley, 1980). In order to be as unobtrusive as possible, Author 1 strove to rather say too little than too much about her research project, as recommended in ethnography (e.g. Hammersley & Atkinson, 1983).

All in all, during a period of 13 months approximately 65 development meetings/workshops took place and out of these 54 were observed. Author 1 received the agendas and meeting minutes for every meeting including the ones she had not participated in. In this way, the coverage of potentially relevant data was increased. Three different kinds of observation were conducted: face-to-face observation (FTFO), telephone observation (TO) and a mix of face-to-face and telephone observation (FTFO/TO). Each type of observation is described next. Details on the observed development meetings' date, duration and constellation of informants are presented in Appendix A.

Face-to-face observation

10 development meetings among the core team of developers were observed face-to-face. These meetings took place in a specific room at the bank's headquarters and varied in length from one and a half hours to full-day workshops. As mentioned, Author 1 strove to be as unobtrusive as possible. For example, if the project members sought her opinion, she would not respond verbally, but instead remind them about her role through body language. Eventually, as the research process went on, her role became established in the group and the insiders got familiar with the situation of having a fieldworker 'hanging about' – a phenomenon of gradual adjustment that has been observed by many ethnographers in other studies (see e.g. Hammersley, 1998; Miles & Huberman, 1994; Stewart, 1998).

Telephone observation

Most often, i.e. in 32 occasions (out of 54 observations), Author 1 observed the development meetings over the telephone. These meetings were held at the headquarters. The project leader called Author 1 and connected the phone to a small speaker situated on the table of the meeting room, and thus, Author 1 listened to the meetings from her office at the University. That the majority of meetings were observed by telephone facilitated unobtrusiveness. The developers were either not aware of her participation or forgot about it. In the

beginning of the field study, the project leader would start the meetings by saying (in a humorous manner) things like: 'Ok, we have the fly participating online so good morning to you too'. As meetings and weeks went by, the project leader less frequently mentioned Author 1's presence, seemingly assuming that the rest of the group already knew that she was participating. However, when in the end of meetings she said 'thank you and goodbye', it became evident that one or more informants had not been aware of her presence or had simply forgotten. As Stewart (1998: 31; *emphasis added*) puts it, the critical question is 'whether or not the research process or the characteristics of the researcher have affected the behaviour that was observed... *in the respects that are relevant to the claims made (and to a significant degree)*', and in this understanding the study was satisfactorily unobtrusive. An additional element contributing to a satisfactory level of unobtrusiveness was the fact that the organization of the bank is geographically dispersed and that the project team members frequently relied on audio conferences to communicate with one another: the informants were familiar with the electronic device through which Author 1 'listened in' on development meetings, and thus they did not seem to pay any attention to it.

Face-to-face and telephone observation

12 meetings were a mixture of face-to-face and telephone meetings. These observations took place at the project leader's bank office where Author 1 observed, face-to-face, the project leader while he communicated and participated in meetings via audio conferences (telephone) with developers physically located at the headquarters and other branches.

In addition to observations, scheduled interviews and informal discussions were conducted in order to ask questions and go beyond the observed practices. Due to the longitudinal aspect of the field study, ethnographic interviews and informal discussions differ from more traditional interviews because they usually are conducted with the same individuals. Recurrent interviews and discussions between researcher and informants increase the validity of the data (Stewart, 1998). 42 scheduled interviews were conducted with informants involved in the development project. Most often the interviews were of a clarifying nature, i.e. to check whether the insider's language had been correctly interpreted in the observations; in ethnography it is of critical importance to learn the language of the people being studied (e.g. Aull-Davies, 2005). In addition to the scheduled interviews, there were many informal discussions with development project members. These discussions provided the opportunity to ask questions about the broader context of the development project, such as historical, political, organizational, structural and general development process issues. These informal discussions also served as an 'arena' for exchanging information of a more personal character, which seemed important for establishing and maintaining field relationships based on trust and cooperation (e.g. Jorgensen, 1989).

By the end of the field study the empirical material collected over about one year was substantial. It consisted of 82 audiotapes (with recordings spanning from 15 min to 2 h per tape) of recorded observations and scheduled interviews, and a logbook of 143 pages with recorded field interactions together with field notes and reflective notes.

Data analysis

In order to analyse the data, we proceeded as follows. Author 1 compiled all the conversations from the development team that referred to the customer in some way or another² (such conversations took place in 20 meetings, i.e. in about 1/3 of all the observed meetings), and then both Author 1 and Author 2 individually read all these extracts with the framework of *ethos*, *pathos* and *logos* in mind, marking different extracts as characterizing one or several of these rhetorical appeals. Where the most decisive element in the argumentation seemed to be of a different nature than the classical trilogy, we sought to identify and categorize these other types of rhetorical appeals. Each of us spent some time analysing these appeals and attempting to categorize them, and then we confronted our views. We concluded that these other types of appeals boiled down to (1) references to *different types of knowledge* and (2) claims about *resources that are available or not*. For each of the five categories, we then selected three or four extracts that we found were among the most illustrative of arguments seeking to drive the development process forward. After a first version of the findings section was written up including all these extracts, we discussed again and removed some extracts in order to make the analysis more concise. In these discussions, rhetoric no doubt played a part, but unlike the discussions we studied from the field we strove to always make explicit to each other the reasons why we should keep an extract and exclude another. These reasons typically had to do with the need to provide insightful extracts that are representative of the different categories while also allowing for elaborations that enrich the analysis. We could also reflexively interpret the way we selected the extracts as guided by an intention to make our argument as convincing as possible, hereby stressing the rhetorical dimension of the writing process itself. We believe that every piece of academic research has such a rhetorical dimension in that it is always meant to convince the reader of the soundness of its approach and the contributions brought about by its findings. In our presentation of the findings below, we focus first on the classical trilogy, then on knowledge and then on resources.

Findings

We first discuss the use of arguments relying on *ethos*, *pathos* and *logos*, then move on to an analysis of what kind of knowledge is referred to in the arguments, and finally focus on arguments referring to resources as facilitating or constraining the development process.

Arguments relying on *ethos*

During an observation of a meeting among the core development team, Mr. Project Leader, Mr. Marketing Manager, Ms. Marketing Manager and Mr. Technician, the following conversation takes place:

² During the observations, Author 1 listened extra carefully whenever the customer was referred to. The customer was referred to in terms such as 'they', 'you', 'the visitor', 'one' and 'the user'.

Extract 1

Mr. Project Leader: I talked to Mrs. Private banking advisor and then I was interested in what we have on private banking today [on the old website] and went to check it out...

Mr. Marketing Mgr: Very little, and it is positioned below "our offices/the xx office," which is based on how we see it internally and *not* how *customers* see it. The position is more an organizational [structure] kind of thing rather than a service that a customer visiting the bank looks for and wonders if we provide it

Ms. Marketing Mgr: Yes

Mr. Project Leader: Exactly

Mr. Marketing Mgr: And then *you* [as a customer] cannot know that "of course! Private banking information is below "our offices/the xx office" because that's where their [the bank's] advisors on private banking are physically located!"

Ms. Marketing Mgr: That is a really good point and we shall remember to *keep the customer glasses on* when we develop the structure of the content, that *we are the customer* and *not* employees (TO, 30.08.2005).

Throughout the development project there are many examples of different team members 'preaching' that the service *should* be developed with the customer in mind. In this example, Mr. Marketing Mgr first rhetorically relies on a distinction between 'we' (associated with 'internally') and 'customers', thereby suggesting that there is a clear difference and that 'internal people' do not see things the same way as customers do. Then, his use of 'you' ('du' in the original Swedish) to describe what the customer can know seems to suggest that everyone is a customer, including the employees. Interestingly, the way this problem is in turn addressed by Ms. Marketing Mgr is not through proposing to collect information from customers but through *identifying* with the customer: the team members should not think of themselves as employees but as 'the customer'. When referring to this need for identification, team members repeatedly rely on metaphors such as '[keeping] the customer glasses on' (TO, 30.08.2005), '[having] the customer cap on' (TO, 30.11.2005), or 'putting ourselves in the shoes of the customer' (FTFO, 11.1.2006). Throughout the process, the customer oriented ethos of the team members is expressed much more often through this call for identification than through proposing formal acquisition of customer information or extensive analysis of already acquired customer information – for instance information that we know they acquired during the pre-study through focus group interviews.

The customer oriented deontology of the team members is sometimes also translated in rhetorical arguments that appeal to a sense of guilt for not doing things in a properly customer oriented way. Consider the following conversation, taking place in one of the last meetings before the launch of the website:

Extract 2

Mr. Technician: What's the latest on the loan calculator? Are we leaving it as it is?

Mr. Project Leader: Yes, what will most likely happen is that there will be a decision to develop it *after* the launch, but it will not be included or launched now

Mr. Technician: ...but, we do have one that we could put there [on the new web pages]. I've had Mr. Technician 2 to check it out for another project I have a link to it...

Mr. Project Leader: Where do you have it now? Please go and get it. If this story ends with the fact that we can throw it on the web in five minutes, then that is really amusing!

Mr. Technician: It's a bit strange how it all happened back then, I was also part of that development project [refers to the development of the old calculator]

Ms. Marketing Mgr.: Yes, I tested it and I did not like it...

Mr. Project Leader: Yeah, but did we have user tests with customers? No, and that's why it failed. It's an excellent school example of how *not* to do it and now we are made the scapegoat for this. If we back then would have had user tests with the customers we would directly have got their feedback

Ms. Marketing Mgr.: But what about the internal users in the bank!

Mr. Marketing Mgr.: The users in the bank gave their reaction

Mr. Project Leader: Yes, of course that is...but nothing to do about that now

Mr. Technician: because, actually, we *did* have user tests but we did not listen to the *real* user, that's the thing

Mr. Marketing Mgr.: Ok, but let us leave that now, that's history

Mr. Project Leader: Yes, but we need to keep these things in mind for the future, that's what's important (FTFO, 11.01.2006).

Here, Mr. Project Leader plays the role of the preacher who is there to remind everyone that even though they cannot do anything about what has been done earlier they should remember it as 'an excellent school example of how *not* to do it' in order to do things right in the future. Throughout the process he plays this role, repeatedly reminding team members of his 'never-ending list of bad consciousness' ["gnager på min hela tiden dåliga samvetelista"] (TO, 01.02.2006) when it comes to those things they have not done in a properly customer oriented way – in the case quoted here, the fact that no extensive user test of the website was conducted with customers before the launch.

Arguments relying on *pathos*

In this development process, arguments appealing to the emotions of the team members were less prominent than those explicitly or implicitly appealing to professionalism and deontology. However, there were some interesting episodes when the identification to the experience of the customer was pushed to a more extensive empathy. Here is perhaps the most striking of those episodes:

Extract 3

Mr. Dir. Bus. Devel: As of now users can bookmark the Internet bank, right?

Mr. Project Leader: Yes

Mr. Dir. Bus. Devel.: Won't they be able to do that anymore after the development?

Mr. Project Leader: Yes, you will be able to bookmark the login page of the Internet bank in the same way as today

Mr. Dir. Bus. Devel.: Ok, but the bookmark [saved address link] that the customer has today for the login page, will that still be valid for the new login page?

Mr. Tech. Proj. Leader: The suggestion here [from the technicians] is that a redirect page will pop up for the customer saying: "update you bookmark", and here the question is for how long this redirect page should exist because it cannot exist forever, one, three or six months?

Mr. Dir. Bus. Devel.: Spontaneously this does not *feel* good and it feels more difficult than I thought it would, just have to ask: why can't we keep the old bookmark?

Mr. Tech. Proj. Leader: Well, the way that I have got this explained to me, it's because of technical reasons that they [the bookmarks] have to be named differently

Mr. Dir. Bus. Devel.: ...Ok, but this is really to make it *troublesome* for the customers! We'll make the customers *feel insecure* and this may result in them not daring to login, or they have to call the bank and check first, and really this is to make it troublesome for the customers, especially considering that we earlier have explicitly encouraged them to bookmark that page...do you know how many customers that have their [login page] bookmarked?

Mr. Tech. Proj. Leader: Probably quite a large amount

Mr. Dir. Bus. Devel.: Then we must find a solution to this because it isn't quite right to tell 80% of our customers that they are wrong [their behaviour of bookmarking the login page]

Mr. Project Leader: But if they use the old bookmark and we have a redirect that is connected to the new login page, i.e., the bookmark is old but one is still rather painlessly transferred to the new login page, isn't that...?

Mr. Tech. Proj. Leader: Yes, they do not have to type anything and they will automatically be transferred, but the thing is that they have to, once they are at the new login page, bookmark that one, because we cannot keep the redirect-page there forever

Mr. Dir. Bus. Devel.: Honestly, I do not think this is a good solution...and I think you better look into this more carefully, because the whole idea with the Internet bank, which also, of course, should be reflected on its login page, is to make life easier for the customer, never *more difficult* and the one I am thinking of now is Sven Svensson's [a colleague's] father, 81 years old, who's using our Internet bank and is happy and satisfied with the way it works today and Sven has bookmarked the login page for his father, and I can imagine that to him [the father] this new solution together with the expected behaviour [of bookmarking the new page] will not be a natural thing for him to do. And we have many [customers] like Sven Svensson's father and *those* are the ones that we have to consider here, because we have got this group to use the Internet bank, and they have big confidence in us, which we need to keep, so please Mr. Project Leader and Mr. Technical Project Leader put some effort in on this and consider how this bookmark issue could be solved and try to keep Sven Svensson's father in your thoughts while working on it (FTFO/TO, 12.01.2006).

Here, the appeal is as much a matter of *pathos* as it is one of *ethos*, as the director is calling for an empathetic understanding. This call for empathy can be seen in his emphasis on how the customer *feels* ('this does not *feel* good', 'we'll make the customers *feel insecure*'), which seems to be the main basis for his concern. In addition, he lifts up a particular case of someone team members can relate to (the father of one of their colleagues), going beyond mere identification to an imaginary customer. Apart from this example where emotions are directly appealed to due to a relatively close relationship to the person referred to, there have been only few cases of appeals to a more emotional identification during the development process. When the customer is someone imaginary it is harder to feel much empathy for her/him.

Arguments relying on *logos*

During the development process, team members spend a great deal of time rationalizing why certain alternatives are more desirable than others. It could be argued that in all of the arguments, some element of *logos*, appealing to the particular rationality characterizing the project team, is present.

Extract 4

Mr. Technician: And the currency converter, we have decided that we will...?

Mr. Project Leader: Is it a *showstopper* [sic]?

Mr. Technician: No

Mr. Project Leader: Not exactly, we must keep on thinking [for example]: Can we launch the pages without "become

a customer"? No, we cannot launch the website without a possibility for the potential customer to contact us so, in other words, that is a showstopper or of high priority. Login to the Internet bank? Definitely a showstopper, i.e. high priority (FTFO, 05.10.2005).

In this dialogue, terminology that is specific to the rhetorical style of Mr. Project Leader can be seen. The term 'showstopper', used in English in the otherwise Swedish-speaking conversation, is one example of his creative use of language. Associating surfing on the website to a 'show', he suggests that certain features are necessary to the extent that if they are not available, the most basic needs of the users will not be met. Using this term helps him to communicate a form of practical wisdom that everyone in the team can relate to; he assumes that all team members understand the implicit logic of his argument, i.e. that the currency converter is not so important because it is not among the main features that customers look for on the web site. This allows him to emphatically establish what is and is not of high priority.

Very few arguments meant to drive the development process are purely a matter of logical demonstration, as there tends to always be certain assumptions that are taken for granted and do not need to be spelled out within the team. On the other hand, when, as outside observers, Author 1 asks questions during discussions with Mr. Project Leader, there is a need for further rationalizing through giving explicit reasons and/or justifications.

Extract 5

Mr. Project Leader: Today [on the old website] you always get to this first page where you choose a language and we want to skip that page by sending a cookie so that the next time you visit us you'll arrive at the start page immediately in the language that you chose the first time. In this way we do not have to ask the customer every time, we'll remember it

Author 1: Yes, but why?

Mr. Project Leader: Uh...why?...well, the customer can always change the language when he/she is on the website, but in this way you will get where you want [to the bank's start page] with a lesser amount of clicks

Author 1: So it will be a lesser amount of clicks for the customer?

Mr. Project Leader: Yes, and the universal web rule by Jacob Nielsen [a web design guru according to Mr. Project Leader] says that you should *always* strive to *reduce* the number of clicks for the customer or the visitor (DISC, 04.07.2005).

In this extract, taken from a discussion between the project leader and Author 1, the rationale for setting the language cookie is explained by claiming that thus customers will get where they want with a lesser amount of clicks. The legitimacy of this statement is further reinforced by referring to relevant expert knowledge. Neither of these two arguments was mentioned during the team meeting when this was discussed, as it was taken for granted that all team members would implicitly understand why this makes sense. How much

reference to established knowledge needs to be made varies depending on the topic of discussion. Sometimes it is enough to state that an option is chosen ‘for obvious reasons’ (TO 19.10.2005), but more often a reference to knowledge is made. Since claims about what the members know turn out to be so important in supporting the arguments made, we now turn to the main types of ‘knowledge’ that are drawn upon in the conversations.

Arguments relying on knowledge

If we are to believe what marketing literature on service development tells us, we should expect that knowledge derived from formally acquired customer information – which we could call ‘market research - derived knowledge’ – and explicitly presented as such in the discussions would drive the development process most significantly. Another type of knowledge which we could expect to be clearly relied upon is ‘relevant expert knowledge’, whether from marketing or web design. However, neither type of knowledge is explicitly referred to in any of the meetings. Instead, as observers, we identify three other types of knowledge on which team members draw to support their arguments: (1) ‘well-known truths’ (i.e. knowledge recognized as ‘truth’ by all team members without a need to specify where the knowledge comes from); (2) ‘IT-derived objective facts’ (i.e. in this context, knowledge that has been established through technical tools that provide objective information about how the web site is used); and (3) ‘intra-organizational knowledge’ (i.e. knowledge allegedly coming from people who are not team members but members of the organization).

First, when team members refer to something they ‘know’ in team meetings, they usually do not feel the need to explicitly refer very clearly to where the knowledge comes from. References to books or web design experts, for instance, were only made in conversations with us (see extract 5). There seems to be a great deal of ‘well-known truths’ within the team. In relation to these truths, there is no need to say anything more than ‘we know that...’. Here is one example:

Extract 6

Mr. Project Leader: ...we *know* that the currency converter is something that customers ask for on the website... (FTFO/TO, 13.05.2005)

Here, an external observer cannot know where the knowledge comes from, but it seems that within the team the source for this ‘knowledge’ does not need to be spelled out. This may be interpreted either as (1) meaning that everyone within the team indeed knows this already, or as (2) a rhetorical trick in order to inhibit further discussion and possible disagreement – which may also be the case when an option is claimed to be chosen ‘for obvious reasons’ (TO 19.10.2005).

Second, a number of claims to knowledge are made based on IT tools, which allows team members, especially Mr. Technician, to present certain aspects as ‘objective facts’:

Extract 7

Mr. Technician: I think we should keep the idea because the statistics show that this is something that visitors use, so let’s keep the idea and eventually in the future develop it further... (FTFO, 22.09.2005)

Using statistics this way is clearly a powerful way of legitimizing the importance or relevance of certain aspects over others. This gives particular power to Mr. Technician and his technical colleagues in having an impact on the agenda: they are the only ones who can objectify knowledge about users – and thus customers – in such a way.

Third, a lot of what is referred to as knowledge about customer wants seems to be based on informal feedback from customers. The claimed source of this customer information tends to be the frontline personnel, who get a lot of informal feedback due to their daily contact with customers. However, this is ‘indirect knowledge’, as members of frontline personnel are not present within the team. What they supposedly have reported is rhetorically mobilised to justify arguments at various stages of the process.

Extract 8

Mr. Project Leader: no, but as far as I understand, the majority of the branch offices say that the customers say that they do not understand the [loan]calculator and that they turn, for example, to competitor X to make the estimate, and I am not totally sure that we actually tested its usability *before* we launched it back then (TO, 07.09.2005)

Based on marketing literature, it should be seen as surprising that in contrast with these three forms of ‘knowledge’, no argument is made with an explicit claim to knowledge based on formally acquired customer information. This does not mean that the issue of formally acquiring customer information is not raised at all during the meetings. It is in fact discussed many times as an *issue*. Mr. Project Leader, in particular, repeatedly acts as a proponent of acquiring more customer information. What is interesting in these conversations is how the rhetorical play in the team turns to focusing on resources as facilitating or constraining the process.

Arguments relying on resources as facilitating or constraining the process

A great deal of decisive arguments made during the development process relate to resources, mainly in terms of (1) technical resources, (2) financial resources, (3) time aspects, and (4) human resources – but usually the different types of resources are not clearly demarcated, as all are connected.

Extract 9

Mr. Tech. Proj. Leader: You asked about the loan calculator?

Mr. Project Leader: Yes, exactly

Mr. Tech. Proj. Leader: I have checked around and asked [among the computer engineers] if one could use the one that we’ve developed for company X, but there is too much underlying logic built in and connected to that application. Thus, in order to get what you want one has to strip it and peel off a lot of things, it cannot just be “shipped in” as it is.

Mr. Project Leader: Yes

Mr. Tech. Proj. Leader: So I guess I doubt that we would be able to make it on time... (TO, 30.11.2005).

In this example, the need to develop a new technical solution entails more pressure on technicians, who will not have enough time to work on this. In many cases, the more technical members are those who bring up the problems related to a lack of available resources. But when they bring up the question of available (technical) resources, it is not always as an obstacle to the development process. An interesting example of resources as enabling follows – quoting a conversation that took place immediately after the *ethos*-filled extract 2, about the loan calculator:

Extract 10

Mr. Project Leader: Yes, but we need to keep these things in mind for the future, that's what's important [end of extract 2, but the conversation continues below]

Mr. Technician: [after checking out the link] yes, this we can use

Ms. Marketing Mgr.: Nice! very nice! [sic]

Mr. Technician: Just have to make some test calculations, but other than that

Mr. Project Leader: In that case, if Mr. Technician feels that he actually can get it nicely in on the web

Mr. Technician: Me or Mr. Technician 3 can manage this in less than five minutes!

Mr. Project Leader: If so, then those are the best invested minutes in this entire project, ever!

Author 1 [abandoning for one rare moment the observer's passive role]: Can I just ask Mr. Technician, from where did you get it?

Mr. Technician: I'm working in another development project where we possibly will use it and then it just hit me that we, in this project, have this old horrible calculator

Mr. Project Leader: Ok, good! Mr. Technician will look into this and put it in on the web if it works alright. ...unbelievable!!!

Mr. Technician: But what is really good with this is that had we not realized this now we would most likely have put someone to develop a new one, which would have been totally unnecessary!

Mr. Project Leader: Indeed (FTFO, 11.01.2006).

This episode is particularly interesting because we can see the relationship between extract 2, in which the need for being more customer oriented was lifted up but more as an expression of guilt for doing things wrong, and this technical solution, which appears to solve everything. It seems that in the enthusiasm of the moment, the call for customer orientation is not so important anymore. The feeling that this was a very time-efficient solution seems to be fulfilling enough to the team members, and it looks as though technical feasibility issues are much more decisive – at least when it comes to the loan calculator – than

whether the solution is based on getting (or trying) to know what the customer wants.

Another similar example of the stronger emphasis on resources, but this time more as representing constraints on planned course of action, relates to a survey about customer expectations from the website that Mr. Project Leader planned to conduct from the beginning of the development project. This survey was mentioned many times during the early stages of the development process, but its implementation kept being postponed. About six months into the project, the following conversation takes place:

Extract 11

Mr. Project Leader: The survey has not been excluded; we are working on it or the thought is still there, we have not made it concrete yet, me and Mr. Technician, so I leave that point for now, I guess until next week. I think that we should put down an effort with Mr. Technician, and talk this through, do we need it? And if so, when should it be performed? So next week we will make a decision on whether we'll perform it or not

Mr. Technician: Yes

Mr. Project Leader: [writing a note] "survey to be decided upon next week"

Mr. Technician: Spontaneously I feel that we do not need it

Mr. Project Leader: I am kind of also starting to

Mr. Technician: Because everything indicates that people like the appearance, etc. and it is not possible to get out more from them than that [at this stage of the development, since the content is not interactive yet]

Mr. Project Leader: No and we'd rather burn ["bränner"] that amount of time on your bigger usability tests, but let's keep it in mind for a while longer ["men vi kan suga på karamellen ännu ett tag"]

Mr. Technician: I think that we can decide now

Mr. Project Leader: Ok! Indeed, no survey and if anyone has anything against this please speak up now! Ok, good!

Mr. Technician: Well, at least I feel that my calendar is getting really full

Mr. Project Leader: I agree, yes! The issue has been cleared ["saken är biff"], no survey, decision taken, Perfect! This is great! (TO, 28.09.2005).

This episode again shows that even though Mr. Project Leader verbally privileges customer oriented solutions – in this case formal acquisition of customer information through a survey in order to support the development process – he is then fairly easily convinced if the arguments against following this course of action relate to resources, especially, in this case, an explicit reference to 'burning [a significant] amount of time'. Interestingly, another decisive argument for *not* doing the survey here is a reference to 'bigger usability tests'

to be conducted later. Despite their coming up as a topic many times during the development process – and despite claims placing them high on Mr. Project Leader’s ‘never-ending list of bad consciousness’ (TO, 01.02.2006) – these tests were never performed.

In Table 1 we synthesize our findings classified according to the different rhetorical appeals.

Discussion and contributions

Going beyond our categorization of the findings in terms of rhetorical appeals, we summarize this study by lifting up five main findings. First, the customer orientation that one would expect to witness – given the emphasis on the obligation to have the customer in mind in marketing literature relevant to service development – was indeed very present from a rhetorical point of view during the process, although only in one third of the observed meetings. Second, this customer orientation was expressed in terms of *ethos*, *pathos* and *logos* in the arguments that were used to drive the development forward, but most notably through appeals to a customer oriented deontology (i.e. *ethos*) mainly relying on identification with the customer. Third, interestingly, these appeals to *ethos* did not lead to the type of action normatively advocated in marketing literature. Our fourth and fifth main findings relate to this inaction. Fourth, there was no extensive use of already acquired customer information – when team members referred to ‘knowledge’ it was

almost only in the form of either ‘well-known truths’, IT-derived ‘objective facts’ or claims allegedly coming from frontline personnel about informal customer feedback. Fifth, there was no extensive additional formal acquisition of customer information either – when new acquisition was advocated, it was frequently postponed for ‘future developments’ or ruled out as a result of issues related to available resources, while appealing to *ethos* by expressing guilt and frustration for not living up to the customer oriented ideal. From these main findings it should be clear that the case studied here allows us to point out a number of discrepancies between the practices that the mainly normative marketing literature relevant to service development prescribes and service development praxis *per se*. What makes it possible for us to lift up these discrepancies, and thereby contribute to both (1) a critical assessment of prior service development research (especially its dominant methodological approaches) and (2) a deeper understanding of service development as practice, lies both in (1) our rhetorical lens and (2) our ethnographic material.

First, thinking in terms of rhetoric reveals how customer orientation is expressed and practiced in a service development context, which provides a significant contribution to marketing research. In line with the call for papers of the present special issue, the observation can be made that ‘academic marketing research has focused disproportionately on studying how organizations [and marketing practi-

Table 1 Overview of findings in terms of rhetorical appeals.

Appeals to	Types of arguments	Examples
<i>Ethos</i>	Relying on the customer oriented ethic that characterizes marketing	‘we shall remember to <i>keep the customer glasses on</i> when we develop the structure of the content’
<i>Pathos</i>	Relying on empathic identification to customer emotional experience	‘Sven Svensson’s father, 81 years old, who’s using our Internet bank and is happy and satisfied with the way it works today and Sven has bookmarked the login page for his father, and I can imagine that to him [the father] this new solution together with the expected behaviour [of bookmarking the new page] will not be a natural thing’
<i>Logos</i>	Relying on general rationality prevalent in project team	‘in this way you will get where you want [to the bank’s start page] with a lesser amount of clicks’
Knowledge	Relying on reference to (1) well-known truths, (2) IT-derived objective facts or (3) knowledge from other people within the organization	(1) ‘we know that the currency converter is something that customers ask for on the website’ (2) ‘the statistics show that this is something that visitors use’ (3) ‘the majority of the branch offices say that the customers say that they do not understand the [loan]calculator’
Resources	Relying on reference to technical, financial, time and human resources, as (1) facilitating or (2) constraining the process	(1) ‘Mr. Technician: Me or Mr. Technician 3 can manage this in less than five minutes!’ Mr. Project Leader: If so, then those are the best invested minutes in this entire project, ever!’ (2) ‘we’d rather burn that amount of time on your bigger usability tests. . . Ok! Indeed, no survey’

tioners] should conduct marketing [and express customer orientation] but has largely neglected studies of how marketing is conducted [and customer orientation is expressed]' (Hackley et al., 2009; our additions in brackets). Studying how the customer is rhetorically referred to by project team members in order to drive a service development process forward provides an opportunity to understand how marketing practitioners express their customer orientation through appeals to *ethos*, *pathos* and *logos*, and references to knowledge and resources, in their marketing praxis. There has definitely been a paucity of knowledge about this until now in academic marketing research.

Second, using ethnography in this context constitutes a methodological contribution to the study of service development. Since retrospective accounts of organizational actions have been found many times to differ from actual actions (e.g. Stewart, 1998), observation can indeed be claimed to offer obvious advantages over surveys or secondary sources, which until now have been the most common sources of 'empirically based knowledge' on service development practice in marketing literature. In particular, prior research has failed to answer *if* and *how* the customer is 'present' in development projects and has failed to describe how 'customer-focused' service development tends to actually be in practice, because the retrospective, deductive and explanatory research approaches used have not made it possible to address these kinds of questions. In contrast, an ethnographic approach captures real time and is less dependent on what people say they do, have done, or will do since the observer can hear and see this for her/himself (Einarsson & Hammar-Chiriak, 2002). In one of the last discussions Author 1 had with Mr. Project leader, the difference in findings between the real time observation approach and a reliance on retrospective accounts was made clear:

Extract 12

Author 1: Can you give some examples of the newly developed service, where you can say: "this we have done because of the customer's view and/or behaviour"?

Mr. Project Leader: Yes, that is... everything. (16.02.2006)

Although the more intense development work was not far back in time (the discussion took place just before the launch of the new service), Mr. Project Leader could not give one example of a specific development made based on the customer's view. According to the statement the developers had the customer in mind in everything they did, which does not correspond to our findings based on observation and rhetorical analysis. Hence, in line with van de Ven and Poole (1990), we argue that in order to minimise respondent bias, it is better suited to observe the development process throughout its unfolding than to conduct historical or retrospective studies.

Of course, we cannot nor want to draw any statistical generalizations from one single case study; however, we do aspire to generate insights that can be applied elsewhere, in the logic of replication that characterizes Yin's (1984) notion of 'analytical generalization'. With Stewart (1998), we argue that through 'perspicacity', ethnographers can arrive at findings that are specified adequately so as to be applied beyond the site of the research. When it comes to

the transferability of the findings of this study, we find it most plausible that the customer is rhetorically used by developers in other settings, i.e. beyond the time and place of the field studied here. We do not argue that the number of times the practitioners from our study have drawn on the different appeals is as such representative of service development projects in general, but we believe that the application of our rhetorical lens to service development praxis is transferable beyond the research setting presented here. In order for the readers to assess the transferability to other settings we have strived to provide 'thick description' as much as possible: that is why we have provided lengthy extracts from the discussions in project meetings as well as thorough descriptions of the data collection and data analysis processes.

Another advantage of an ethnographic approach is that, through the direct access that the observer has, it is possible to capture the 'taken-for-granted', those 'tacit or privately held ideas in practice' (Dougherty, 2004: 38; emphasis in original) – also because it is easier for an outsider to notice what has become commonsense within a group. An interesting finding from this study relates to the way in which shared prior understanding from the different team members seems to shape what needs to be spelled out and what does not. This confirms insights from studies in organizational rhetoric, which have found that in organizations implicit arguments, relying on the organizational members' familiarity with the local culture, are often the most persuasive (see e.g. Harteis & Browning, 2008; Sillince, 1999). A number of organizational researchers (e.g. Feldman & Sköldböck, 2002; Heracleous & Barrett, 2001; Molina & Spicer, 2004; Suddaby & Greenwood, 2005) have thus focused on 'enthymemes', i.e. arguments that are 'usually not fully expressed, with one or more of their premises being taken for granted or assumed by the audience' (Heracleous & Barrett, 2001: 762). The truth of these taken-for-granted premises is very much context-dependent: a 'well-known truth' in our development team can be deemed untrue in another context. What makes enthymemes particularly efficient means of persuasion is precisely the fact that '[these types of arguments] are addressed to a particular audience, and the rhetorical syllogisms that are used are selected because they will seem true to the members of that particular audience' (Molina & Spicer, 2004: 287; emphasis in original). It is indeed a matter of the arguments *seeming* true rather than being demonstrated as true: as noted by Feldman and Sköldböck (2002: 289), managers 'often argue along lines of plausibility rather than logically binding necessity', and many of their most decisive arguments are enthymemes. In the present study, appeals to *logos* always seem incomplete to us as observers, because some of the premises – for instance implicit rules about web design – are already taken for granted within the team. During the process there was almost never an explicit reference to established knowledge, whether in the form of general knowledge – e.g. books written by an expert on web design – or specific knowledge of the bank's customers – e.g. focus group interviews formally conducted by the bank in order to support the development project. Instead, team members rely on their own identification with the customer, 'truths' that no one in the team is willing to question, 'objective facts' automatically collected through technical tools, or alleged claims from the frontline personnel about

customer feedback. While these patterns of argumentation, privileging plausibility over ‘proper implementation’ of customer orientation, seem surprising when confronted with marketing literature on service development, they are not so surprising in light of previous organizational rhetoric research emphasizing the role of enthymemes in organizational processes.

Service development practice, of course, is not all about rhetoric. Many other perspectives could be used to fruitfully analyse a service development project – and the extensive ethnographic material which serves as a basis for the present study could benefit from being seen through other lenses. There is so little extant research on service development praxis – as opposed to the extensive normative research prescribing how service development *should* be practiced – that the possibilities for new insightful research are many. In particular, we believe there should be many more ethnographies of service development processes, in order to understand better the relations between practices prescribed in

marketing literature, practices established at organizational level, and the way practitioners draw on these different practices in their praxis. Ethnographies could bring more insights into helping us understanding how come customer surveys are not really used, for instance. Another avenue for further research that we find particularly interesting lies in examining rich ethnographic material of this sort in terms of the subject positions that the team members mobilise in the process of participating in the development project. Customer oriented subject positions could for instance be contrasted with more technical subject positions. One interesting observation we have been able to make while performing the present analysis has been the fact that ironically enough, it has often been Mr. Technician who has brought in the most concrete references to customer needs. A more thorough analysis of this type of phenomenon could further help us understand how service development unfolds in practice, and how that may differ from the ideal normative picture presented in academic marketing literature on the subject.

Appendix A. Overview of observations

Month/Year	Date	Duration	Type	Informants	Number of participants
March 2005	23rd	3 h	FTFO	2CDT + 2CT	4
April 2005	12th	45 min	FTFO/TO	3CDT + 3TN + 1PB	7
	14th	1 h	TO	4CDT + 2TN	6
	15th	30 min	TO	4CDT + 2TN	6
	20th	1 h	TO	2CDT + 1TN	3
	29th	1 h	FTFO/TO	2CDT + 1TN + 1PB	4
May 2005	13th	1 h	FTFO/TO	2CDT + 1TN + 1PB	4
June 2005	21st	5 h 15 min	FTFO	5CDT + 3CT	8
	30th	1 h	TO	1CDT + 2PB	3
July 2005	7th	2 h	FTFO	1CDT + 1CT	2
August 2005	30th	1 h	TO	CDT	4
	31st	1 h 30 min	TO	CDT	4
	31st	1 h	TO	1CDT + 2PB	3
September 2005	7th	45 min	TO	CDT	4
	7th	30 min	TO	1CDT + 2PB	3
	13th	1 h	FTFO/TO	1CDT + 1PB	2
	14th	1 h	FTFO/TO	CDT	5
	21st	1 h	TO	CDT	5
	22nd	15 min	FTFO	1CDT + 1CU	2
	22nd	30 min	FTFO	1CDT + 1CU	2
	22nd	1 h 30 min	FTFO	CDT	4
	28th	1 h	TO	CDT	5
	28th	1 h	TO	CDT	4
	30th	1 h	FTFO/TO	CDT	3
October 2005	4th	1 h	TO	CDT	5
	5th	1 h	FTFO	CDT	5
	5th	15 min	FTFO	CDT	3
	5th	1 h	FTFO	CDT	2
	5th	2 h 30 min	FTFO	CDT	4
	12th	1 h	TO	CDT	5
	13th	30 min	TO	1CDT + 4RG	5
	19th	1 h	TO	CDT	4

Appendix A (Continued)

Month/Year	Date	Duration	Type	Informants	Number of participants
November 2005	2nd	1 h	TO	CDT	5
	9th	1 h	TO	CDT	5
	10th	1 h	FTFO/TO	1CDT + 2PB	3
	16th	1 h	TO	CDT	5
	24th	1 h	FTFO/TO	CDT	5
	30th	1 h	TO	CDT	5
	30th	1 h 15 min	TO	CDT	4
December 2005	8th	4 h	TO	CDT	4
	14th	3 h 30 min	TO	CDT	4
	14th	1 h	TO	1CDT + 2PB	3
	16th	1 h	TO	1CDT + 4RG	5
	29th	1 h 30 min	FTFO/TO	CDT	4
January 2006	4th	1 h 30 min	TO	CDT	4
	11th	5 h 30 min	FTFO	CDT	4
	12th	1 h	FTFO/TO	1CDT + 2PB	3
	12th	1 h	FTFO/TO	1CDT + 1PB + 3TN	5
	18th	1 h	TO	CDT	3
	19th	1 h	TO	1CDT + 2PB	3
	25th	1 h 30 min	TO	CDT	3
	26th	1 h	TO	CDT	3
February 2006	1st	30 min	TO	1CDT + 4RG	5
	1st	30 min	TO	CDT	2
	21st	1 h	FTFO/TO	1CDT + 1CT	2

Type of observation: 12 FTFO = face-to-face observations; 32 TO = telephone observations; 12 FTFO/TO = face-to-face observations and telephone observations. In total = 54 observations. Observed informants: CDT = core development team; PB = project board; RG = reference group; CT = consultant; TN = technician; CU = customer.

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