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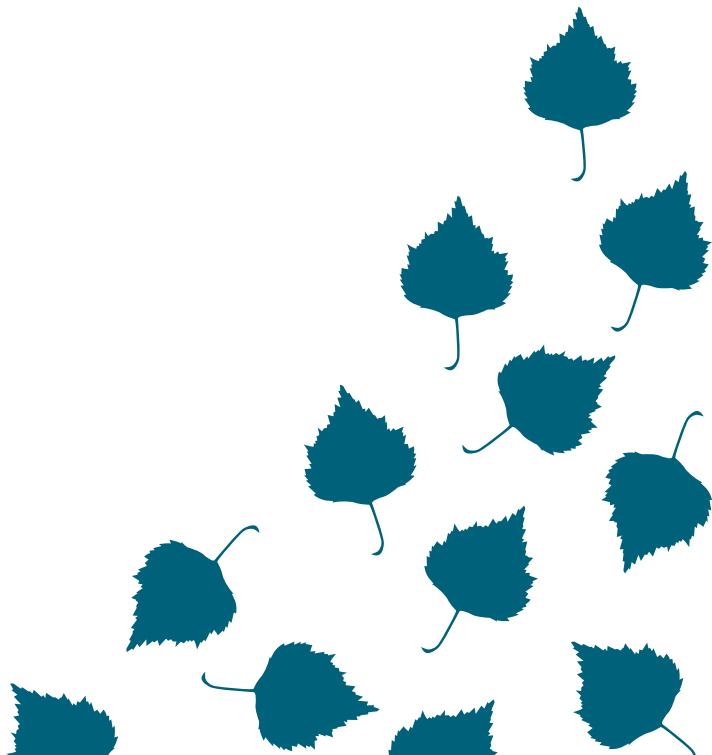


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# CUSTOMER ACTIVITY

A PERSPECTIVE ON SERVICE USE

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## Customer Activity

A Perspective on Service Use

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## Customer Activity: A Perspective on Service Use

Key words: service marketing, customer activity, customer-dominant logic, activity theory, practice theory, customer value, value creation

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## PREFACE

This thesis emerged from what was initially an interest in peoples' hobbies. I was fascinated by how people maintained different activities within contexts such as watching movies, wall climbing, classic cars, music or similar. I wanted to explore this phenomenon and initially chose to approach it through the concept of involvement (Zaichkowsky 1986). However, I soon realised that involvement research and its subcategory enthusiasm research (e.g. Bloch 1986) mostly focused on people's attitudes and less on what people actually did. I was more interested in the practical side of things and started thinking about how hobbies could be approached from a more activity-focused point of view. I wanted to understand how a hobby might emerge in a person's life; I started imagining how it might begin with one recurring activity shared by many people and how a hobby gradually develops into more complex forms as the initial activity is deepened and complemented with other, supporting activities.

Take, for example, my own interest in movies. I used to try to see as many movies as I could in theatres, on DVD and on television. As I got more interested, I also started to read about movies, find out about new ones and deepen my understanding of ones I had already seen. Furthermore, I often discussed movies with friends and read online forums dedicated to movies. I then had a vision of all these activities as parts of a network or pieces in a puzzle. How could such a network be described and understood?

Therefore, my point of departure is very consumer-centric. The point of view of the individual consumer has been a common background to my research throughout the whole process. Because I completed my thesis at the CERS Centre for Relationship Marketing and Service Management, my initial individual consumer perspective was intermingled with relationship and service perspectives, particularly research on business networks (e.g. Håkansson & Snehota 1995), understandings of customer value (e.g. Ravald 2008, Normann 2001) and customer experiences (e.g. Helkkula and Kelleher 2010). All these ideas influenced me in numerous ways and led to my understanding of customer activity as a perspective on the use of service.



# CONTENTS

## **PART 1**

<b>1</b>	<b>INTRODUCTION.....</b>	<b>3</b>
1.1.	Research problem.....	3
1.2.	Purpose of the thesis .....	5
1.3.	Delimitations.....	7
1.4.	Positioning of thesis .....	7
1.4.1.	Positioning within the service logic debates .....	7
1.4.2.	Positioning within relationship marketing.....	8
1.5.	Structure of the dissertation.....	9
1.6.	Definitions.....	9
<b>2</b>	<b>CUSTOMER ACTIVITY .....</b>	<b>10</b>
2.1.	Customer activity in marketing.....	10
2.2.	Customer activity in service research.....	11
2.2.1.	Summary.....	14
2.3.	The customer as an active creator of value .....	16
2.4.	Conceptualising customer activity .....	18
2.4.1.	The analysis of action.....	19
2.4.2.	The problem of unitising activity.....	20
2.4.3.	The activity theory view .....	20
2.5.	Systems of customer activity.....	23
2.5.1.	Service systems as shapers of customer activity.....	23
2.5.2.	The customer as shaper of activity systems.....	24
2.5.3.	The focus and boundaries of activity systems.....	25
2.6.	Synthesis and definitions .....	26
2.6.1.	Definition of customer activity .....	26
2.6.2.	Definition of systems of customer activity.....	27
2.6.3.	Conceptual framework.....	27
<b>3</b>	<b>RESEARCH METHODOLOGY .....</b>	<b>29</b>
3.1.	Ontological assumptions.....	29
3.2.	Epistemological assumptions.....	30
3.3.	Methodological considerations .....	31



3.4. Methods.....	32
3.4.1. Essay 1 .....	32
3.4.2. Essay 2 .....	33
3.4.3. Essay 3 .....	35
<b>4 SUMMARY AND CONTRIBUTION OF EACH ESSAY .....</b>	<b>37</b>
4.1. Essay 1: Activity in Consumer Practices.....	37
4.2. Essay 2: Customer Activity in Service.....	38
4.3. Essay 3: Activityscape Mapping: Consumer Activity Systems as Service Context .....	40
<b>5 CONTRIBUTION .....</b>	<b>41</b>
5.1. Discussion .....	41
5.2. Contribution to theory.....	42
5.2.1. Customer activity .....	42
5.2.2. Systems of customer activity.....	44
5.2.3. Customer activity as the context for service use.....	47
5.3. Contribution to methodology.....	48
5.3.1. Activityscape mapping .....	48
5.4. Managerial implications.....	50
5.5. Limitations .....	52
5.6. Suggestions for further research .....	52
<b>REFERENCES .....</b>	<b>54</b>

## APPENDICES

Appendix 1	List of Essays included in thesis .....	69
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## TABLES

Table 1	Purpose of thesis and the roles of individual essays .....	6
Table 2	The role of customer activity in service research .....	15
Table 3	Typology of connecting principles for activity .....	26
Table 4	Articles selected for the study.....	33

Table 5	Final research items .....	34
Table 6	Customer activity versus other approaches .....	43

## FIGURES

Figure 1	Activity hierarchy from Wilson (2006) .....	22
Figure 2	Framework for customer activity .....	28
Figure 3	Ontological framework.....	29
Figure 4	Activities, actions and operations (Leont'ev 1978, visualised as in Holmlund 2004).....	37
Figure 5	The levels of customer activity .....	39
Figure 6	The relationship, actor and activity perspective .....	45
Figure 7	Baran's (1964) network types.....	47
Figure 8	Focus and type of data produced by different methods .....	49

## **PART 2**

### THE ESSAYS



PART 1



## 1 INTRODUCTION

Many researchers argue that the days of push marketing are numbered (Mooney and Rollins 2008, Schultz 2008). If consumers do not wish to listen to a particular marketing message, they will not even need to ignore it—they will avoid being confronted with it altogether. This is done by, for example, blocking pop-ups or skipping TV commercials using digital recorders. Soon, shares of attention will not be bought but will have to be earned. Due to the new structure of the media landscape, marketing strategies increasingly need to be built on an understanding of consumers as active participants in the market system (Beckett & Nayak 2008).

Because of this, marketers have been forced to shift their attention away from advertising and focus on the structures and drivers of consumer activity. What are consumer's habits? What are they trying to achieve? How do consumers go about their daily business? Within marketing, a growing interest in active consumers can be seen in, for example, the renewed interest in the concept of value-in-use (e.g. Vargo 2008, Sandström et al. 2008). Consumers are increasingly seen as creating value for themselves through their own activities and not simply as receiving value from a company (Normann 2001, Grönroos 2008). Consequently, marketers need to understand how consumers actively create their own systems of use and consumption.

Customer activity is largely an unproblematised concept in marketing and service research. For example, the ongoing discussions on service logic all seem to involve the idea of the customer as an active party but provide very few ideas on how to understand the concept of customer activity (e.g. Vargo and Lusch 2004, 2008, Grönroos 2008, Heinonen et al. 2010). Even though the idea of analysing the customer's behavioural structures to understand how products and services are used is old (i.e. Yankelovich 1957, Boyd and Levy 1963), the idea itself has not been sufficiently developed to provide any practical suggestions how to approach customer activity.

Consequently, a need has arisen to investigate and define the concept of customer activity. Researchers need analytical tools to understand the nature and structure of customer activity. Otherwise, clear and structured analysis of customer activity remains challenging.

### 1.1. Research problem

*'Activity is not what an organism does. Rather, the organism consists in its activity. Activity is the mode of existence by which organisms establish themselves as subjects in their life processes'. (Fichtner 1999, p. 55)*

This thesis assumes the point of view found in the above citation taken from cultural-historical activity theory, which is a stream of psychological theorising developed in the former Soviet Union (Leont'ev 1978, Blunden 2010). In this theory, activity is a 'mode of existence' or how people live their lives. Everything we do, from the point of being born to dying, can be seen as activities driven by conscious or unconscious motives. Even unreflected, routine behaviour can be seen as activity as it still is built on goals and functions in the subject's life. It can be argued that all behaviour makes sense from the subject's own personal point of view (e.g. Kahneman 2003). In this context, service is only a facilitator of desired activity. From an activity-centric perspective, the focus is not on service interactions, the use of services or products or even customer experiences but is instead on customer activity and how customers manage their own

lives or businesses. Customers organise activities according to their own understandings of what is desirable or possible and the opportunities that exist in the world. Similarly, customers' evaluations of the outcomes of activities are entirely dependent on the customers' own understandings. The responsibility for the outcomes is then attributed to either customers themselves or some other actor, e.g. a service provider. Thus, for customers, service is nothing but another tool to enable desired activities, whether the activity is to visit Disneyland and ride Space Mountain or simply to sit down and have a cup of tea. Some might argue that these are experiences. Indeed, they can be understood from an experiential perspective, but from the point of view of this thesis, they are desired customer activities that *result* in experiences.

This thesis presents customer activity as a *perspective* on service use, which provides a different view on reality than other perspectives. A *service-dominant* perspective highlights service interactions, value-in-use and the service system, in which customers and providers are equivalent actors (Vargo & Lusch 2004, 2008, 2011). An *experience* perspective highlights the customers' phenomenological world and how customers experience, interpret and imagine different events (Arnould & Price 1993, Helkkula 2011, Helkkula, Kelleher & Pihlström 2012). A *practice-theoretical* perspective highlights the customers' practices, i.e. socially shared meanings as well as culturally rooted and routinised behaviour (Holttinen 2010, McColl-Kennedy et al. 2012). However, this thesis introduces an *activity* perspective on service. This perspective is rooted in the customer-dominant stream of service research (Heinonen et al. 2010) and highlights the customers' activities and the role of service in them. Thus, an activity perspective presents a different frame of analysis when compared to the other mentioned perspectives. Such a perspective is also likely to lead to different conclusions when it comes to the customers' use of services.

Thus, the research questions in this thesis are not generated by the usual method of gap-spotting but instead rely on problematisation (Sandberg & Alvesson 2011). This means that the research problem is generated through approaching old topics in a new way rather than finding unexplored gaps within existing literature streams and paradigms. Sandberg and Alvesson (2011) cite Foucault and present problematisation as an 'endeavour to know how and to what extent it might be possible to think differently, instead of what is already known' (p. 32).

Problematisation questions the underlying assumptions of existing research. Two such assumptions in service research are that service needs to be understood 1) by means of interactions between actors and 2) as being realised as value-in-use (Grönroos and Ravald 2011, Vargo and Lusch 2004, 2008). These assumptions are implicit in much of today's service research thinking. This thesis problematises these assumptions and suggests that interactions and value-in-use give only a partial understanding of how service is used. This understanding can be broadened by shifting focus to the customer's world and the role of service in what the customer does. Consequently, the thesis introduces a new perspective for understanding service use, which is through *customer activity*.

The term 'service' here refers to general idea of 'a perspective on value creation through the lens of the customer' (Edvardsson, Gustafsson & Roos 2005, p. 107). This means that both products and services (in the traditional sense) are part of the service that economic actors offer customers (Vargo & Lusch 2004, 2008). This thesis is concerned with three main problems that all relate to the role of service in customer activity. Firstly, deeper discussion about the concept of customer activity is severely lacking in service research and marketing. Customer activity is often understood as an

unproblematic, self-evident phenomenon that everyone can relate to intuitively. Even if we move into specialised domains, such as practice theory (e.g. Reckwitz 2002) or actor-network theory (e.g. Latour 2005), the concept of activity remains unproblematised and undefined. Customer activity is a central concept in marketing and should be discussed duly.

Secondly, the understanding of customer activity is hampered by underlying paradigmatic understandings that need to be addressed, such as the stimulus-organism-response paradigm, which sees customer activity as mechanistic responses to stimuli (Jacoby 2002). Another paradigmatic issue is the linear chronological understanding of unfolding activity (e.g. Holmlund 2004, Patrício et al. 2011). Alternative frameworks for understanding the customer's activities should be investigated.

Thirdly, the relationship between service and customer activity should be clarified. Many previous conceptualisations see customer activity as a part of the service process of the provider (e.g. Bitner, Ostrom & Morgan 2008, Eichentopf, Kleinaltenkamp & Stiphout 2011). However, current understandings of value are shifting the focus towards understanding the context and processes of the customer (e.g. Heinonen et al. 2010, Gummesson & Mele 2010). A customer-centric view is likely to have implications for understandings of customer activity; therefore, they require research.

## **1.2. Purpose of the thesis**

The purpose of the thesis is to create insight into customers' service use by applying a customer activity perspective on service. A deeper understanding of the relationship between customer activity and service use has implications for such topics as customer value, service design, customer segmentation and market communication.

Based on the purpose, four research questions are formulated:

1. How can customer activity be conceptualised?
2. How are customer activities linked, and what is their scope?
3. What are the roles of service providers in interlinked systems of customer activity?
4. How can the emergence of customer value be understood in the context of systems of customer activity?

These research questions cover different aspects of the purpose. Each research question is designed to lead to conclusions that will make it possible to study the next question. The first one deals with the very basic question of how to understand customer activities. When activity is clearly conceptualised, we can go on to investigate the relationships between separate customer activities. Then, when we have an understanding of how to analyse and depict systems of customer activity, we can try to understand the role of service providers and customer value in such a context.

This thesis will attempt to answer these research questions using three essays focusing on different research questions. The subgoals of the essays support achieving the general purpose of the thesis.



- Essay one: ‘Activity in Consumer Practices’

Conceptual/empirical paper. The goal of the first essay is to develop and define the concept of consumer activity and position it in relation to the concept of consumer practices. The essay presents an ‘anatomy’ of consumer activity.

- Essay two: ‘Customer Activity in Service’

Conceptual paper with empirical illustration. The goal of the second essay is to show how the concept of customer activity fits into service research and how networks of customer activity can be analysed, thereby providing an expanded understanding of service use. It also aims to define different levels of customer activity from the service provider’s point of view. The essay has been published in the *Journal of Service Management* (2013, Vol. 24, Iss. 5).

- Essay 3: ‘Activityscope Mapping: Systems of Customer Activity as Service Context’

Conceptual paper with empirical illustration. The goal of the third essay, ‘Activityscope Mapping: Systems of Customer Activity as Service Context’, is to show how customer value emerges in the customers’ activities, how this can be illustrated and how businesses’ services fit into the value creation that happens in customer activity systems. A prior version of this paper was presented at the 2009 Nordic Conference of Consumer Research.

Table 1 shows how the research questions are covered by the individual essays. The first essay, which focuses on conceptualising consumer activity and applying it to practice-theoretical consumer research, addresses research questions one and two. The second essay applies the concepts of customer activity and activity networks to service research and thus covers research questions two and three.

**Table 1 Purpose of thesis and the roles of individual essays**

<b>Purpose of thesis: create insight into customers’ service use by applying a customer activity perspective on service</b>			
RQ 1: How can customer activity be conceptualised?	RQ 2: How are customer activities linked together, and what is their scope?	RQ 3: What is the role of service providers in interlinked systems of customer activity?	RQ 4: How can the emergence of customer value be understood in the context of systems of customer activity?
Essay 1			
	Essay 2		
		Essay 3	

The final essay investigates customer-perceived value from an activity perspective and the role of service providers in systems of customer activity. Thus, it covers research questions three and four.

The four research questions are designed to open up basic undiscussed issues related to customer activity. By answering the research questions, the thesis lays the foundation for employing customer activity as a new perspective on service use. The first question concerns the concept of activity itself; how it can be defined and understood. The second considers how such activities link to each other. The third applies the knowledge about linked activities and considers the role of service providers in activity systems. The third research question ties all previous questions to the topic of customer value; how do customers see the relationship between activities, service and value?

### **1.3. Delimitations**

This thesis discusses customer activity on a general theoretical level, which can include both a business-to-business and a business-to-consumer context. However, the discussion focuses mostly on the customer on the individual level and disregards any organisational factors, which means that the business-to-business side is mostly left out of the discussion. Moreover, the conducted empirical studies focus on business-to-consumer customers. The first study incorporates consumers from many different contexts, the second focuses on the customers of a particular gambling firm and the third focuses on wine consumers.

The thesis also disregards any symbolic meanings of activities and instead focuses primarily on their boundaries, levels and structures. Thus, the approach to activities is mostly practical.

### **1.4. Positioning of thesis**

This thesis deals with introducing a customer activity-centric view on service use and investigating the consequences for understanding the customer's use of service in the wider context of customer activity. The thesis is positioned as a part of the 'service logic' debates in marketing. Service logic has been presented as a new paradigm in marketing that focuses on the customer's use of service and long-term interactions between customers and providers instead of traditional, short-term product- and transaction-focused views (Vargo & Lusch 2004, 2008, Grönroos 2008, Heinonen et al. 2010).

#### **1.4.1. Positioning within the service logic debates**

Currently, many versions of service logic exist, including service-dominant logic (Vargo & Lusch 2004, 2008), service logic (Gönroos 2008, Grönroos & Voima 2012) and customer-dominant logic (Heinonen et al. 2010, Heinonen, Strandvik & Voima 2013). There seems to be a consensus that service should be a perspective on value (in the mould of Edvardsson, Gustafsson & Roos 2005) and that marketing needs to focus on how the output of economic actors *is used* rather than on how it is produced. Many similarities between the three mentioned versions of service logic are present, but their chief differences are, if simplified somewhat, that the first focuses on service from an idealised, systemic point of view, the second on service as interaction between two parties and the third on service as part of the customer's life or context. The research on

service logic has, however, been mostly conceptual, with only a few recent empirical studies employing a service-logic point of view (e.g. McColl-Kennedy et al. 2012).

This thesis assumes the position of customer-dominant logic (Heinonen et al. 2010, Heinonen, Strandvik & Voima 2013) when it comes to understanding the role of the customer in service. Customer-dominant (C-D) logic has been presented as an alternative to the service-dominant (S-D) logic of Vargo and Lush (2004, 2008). Where S-D logic focuses on service and the production of service in the interaction between different parties, C-D logic is more concerned with the role of service in the customer's own context (Heinonen et al. 2010). Heinonen et al. (2010) argue that S-D logic is actually provider dominant and that it does not reflect the requirements of the view of value as being created in use. Rather, they argue that S-D logic sees value as being created in service; this shifts the analytical focus away from the customers' contexts and intentions for using the service, which are arguably central for the emergence of value-in-use. C-D logic explicitly takes the customers' perspective on issues such as experiences, value, activity and service use. C-D logic sees the use of service as controlled by the customer and the value of service as emerging within the customer's life. The service provider is assumed to only play a small (sometimes larger) part in the customer's life or business. Instead, the customer is an orchestrator of service who combines a service with other elements in the wider context of life or business. By focusing on customer activity, the thesis concretises the ideas put forward by C-D logic into concepts and methods. These can be used by service researchers to gain insight into their customers' service use and value creation from a service logic point of view.

#### **1.4.2. Positioning within relationship marketing**

The thesis is also positioned in the customer relationship marketing research stream, more specifically behaviourally driven relationship management (Möller 2013). Customer relationship research has conceptualised a relationship as a series of interactions between providers and customers (Storbacka, Strandvik & Grönroos 1994, Holmlund 2004). The customer's experience is the outcome of these interactions (Payne & Frow 2005). Thus, relationships can be understood in terms of sequences of interactions that lead to customer experiences and customer value. The customer's experience emerges through activities undertaken separately either by the customer, the provider or mutually in interactions (Payne et al. 2009). The provider's planned communication and interactions with the customer should be integrated so they support the customer's value processes (Grönroos 2004). This represents a broad understanding of relationship management where the goal of the provider's ongoing interaction with customers is to enhance the mutual relationship (Parvatiyar and Sheth 2000).

Consequently, relationship marketing takes the relationship between customers and providers as a starting point and maps out a linear sequence of activities. This thesis is rooted in the relationship marketing tradition but adopts a customer activity perspective. This perspective goes beyond individual dyadic relationships and instead uses the customer's life or business as a starting point. Which of their own activities do customers see as relevant to a particular context? In which of these activities are service providers involved? The service provider can see these activities as the context for a customer relationship; the relationship is framed and given its meaning by the customer's surrounding activities. Thus, this thesis can be said to build upon customer relationship thinking but to approach it from the *customer's* point of view: what does the customer do, and what is the role of the service provider in the customer's

activities? By investigating the relationship between identified customer activities and observing the role of service providers in them, marketers can gain insight into customers' processes and providers' roles within them.

### **1.5. Structure of the dissertation**

The rest of the thesis is structured in the following manner. Chapter two discusses customer activity and presents how it has been approached in service research and marketing in general. The chapter goes on to conceptualise customer activity based on a framework from cultural-historical activity theory (Leont'ev 1977, 1978). Finally, it presents a working definition for customer activity. The third chapter discusses the methodology used, and chapter four summarises the contribution of each essay. Chapter five discusses the thesis' overall contribution to knowledge.

### **1.6. Definitions**

To avoid confusion, the two core terms used in the thesis are briefly defined here. A more detailed definition of customer activity is presented at the end of chapter two.

Customer: The American Marketing Association (AMA) defines a customer as *'the actual or prospective purchaser of products or services'* ([www.marketingpower.com](http://www.marketingpower.com)). Thus, the term 'customer' implies an economic relationship between a subject and a providing entity. It implicitly assumes a two-party point of view and contains within itself the expectation of some type of economic exchange. However, it does not restrict the focus to the purchase or usage process but can encompass other parts of the subject's (i.e. customer's) life or business as well. At the same time, in contrast to the term 'consumer', the term 'customer' does not sacrifice the economic ties between the subject and a particular providing organisation. It is one of the focal concepts in marketing and has a core role in discussions on customer centricity (e.g. Shah et al. 2006) and customer orientation (e.g. Blocker et al. 2011).

Activity is a general term that refers to purposeful behaviour. The Macmillan Dictionary defines an activity as *'something that someone does in order to achieve an aim'* or *'something that you do because you enjoy it or because it is interesting'* ([www.macmillan.com](http://www.macmillan.com)). Thus, it refers to a practically or experientially oriented behaviour that is expected to produce desired outcomes.

## 2 CUSTOMER ACTIVITY

This chapter reviews how customer activity has been approached in marketing and service research. It goes on to discuss some of the challenges in understanding the concept of activity and presents a definition of customer activity based on the discussion.

### 2.1. Customer activity in marketing

Surprisingly, customer activity from the customer's own perspective has not been discussed very much within service marketing or marketing in general. Even the basic idea of the customer as an independent and creative agent is relatively undeveloped. Traditionally, customer activity has mostly been understood as a response to input from marketers and has been thought of in terms of purchases or choices between competing offerings (for examples, see chapter 5 in Kotler and Armstrong 2006, also Dellaert, Borgers & Timmermans 1997 or Bettman, Luce & Payne 1998). Osborne and Ballantyne (2012) argue that marketing's firm-centric value production paradigm tends to demote the customer to a mere recipient who is only marginally involved in the firm-dominated process of creating value.

Within consumer behaviour, the traditional way to understand consumer action and activity has been in the form of choice behaviour. The consumer made choices between competing brands, and the role of marketing was to find out about consumer preferences and to influence the customer into making the correct choice (e.g. Woods 1960, Bettman 1971, Wright 1975). Beyond the choice of brands itself, the customer activities of interest were ones that had mostly to do with marketing communication, i.e. media consumption and word-of-mouth (Brooks 1957, Mancuso 1969, Aaker 1970, King & Summers 1970). In addition, the style in which the product was being used could be a customer activity of consequence to the marketer (Yankelovich 1957). Complaining behaviour has also been presented as a relevant activity that customers engage in (e.g. Fornell & Wernerfelt 1987). However, the underlying assumption has been that customers' behaviours are a consequence of input from the provider.

The view of the customer as an object to influence instead of a subject can be traced back to the early days of marketing when psychologists were brought in to marketing departments in order to give marketing more scientific credibility (MacInnis & Folkes 2010). They brought with them the stimulus-organism-response (S-O-R) paradigm of psychological research (see Jacoby 2002). Within this paradigm, the *organism* (customers) reacts to *stimuli* (communication, servicescape, rewards) that will produce predictable *responses* (experiences, purchase behaviour). The effects of this paradigm can still be seen in service research where customer activity usually has been thought of as directed by service design. By controlling the parameters of the service process, the service provider can shape the outcome of customer behaviour (e.g. Shostack 1993, Zomerdiijk & Voss 2010). The customer is prescribed a passive role involving reaction to stimuli. Creative activity patterns are misunderstandings concerning how to interact with the service provider (Eichentopf, Kleinaltenkamp and Stiphout 2011).

One could say that the entire mind-set of marketing research has traditionally been to understand how to influence, satisfy and manage customers. This point of view directs the attention away from what the customers are doing and instead focuses on what the customers *should be* doing. Only recently have approaches that emphasise the

customer's own context and activities started emerging in marketing. They first emerged within business-to-business research where practical considerations have forced providers to pay more attention to their customers' activities (e.g. Håkansson 1982, Håkansson & Snehota 1994). Also within the domain of consumer research, activity-centric understandings of consumption have started to emerge after being ushered in by the increasing popularity of practice-theoretical research perspectives (Warde 2005, Schau Muñoz & Arnould 2009). This, in combination with better possibilities for consumers to be involved in customising market offerings (Fogliatto, da Silveira & Borenstein 2012, Wang, Kandampully & Jia 2013) as well as the understanding of customers as active contributors to innovation (von Hippel 2005, Hemetsberger & Reinhardt 2006) indicates a new emergent view of customers. Customers are not passive consumers but active *doers* who live their life pursuing their own goals and who possess resources and capabilities, properties that previously were within the domain of the providing firm.

## 2.2. Customer activity in service research

The purpose of the following section is to show how the concept of customer activity fits within service research. I present the argument that even though service researchers often assume that the customer is active in some way, the concept of customer activity itself has not been addressed directly. Several reasons for this will be discussed with examples from core research streams and conceptualisations. Two questions will form the basis of the discussion: 1) what is the role of the customer's activities in service research, and 2) how has customer activity been conceptualised?

The most important reason why customer activity has been overlooked is that service is usually understood in terms of *interaction*. According to Grönroos (2009), the concept of interaction lies at the core of service marketing. He summarises its role in the following way: *'[...] through customer-firm interactions and the outcomes of these interactions, marketing aims at supporting customer value creation'* (p. 399). Thus, the interaction concept is one of the foundations of service marketing. Interactions are also the building blocks of *relationships*, which constitute another one of service marketing's core concepts (Ballantyne & Varey 2006). It can be argued that service marketing's focus on interactions and relationships leads to limited interest in customer activities beyond interactions with service providers. Rather, it leads to a view of customers and providers as engaged in dyadic interaction. In a dyadic interaction approach, the analytical focus is on the interaction between a provider and customer either within a particular encounter or over a longer period. Such an approach can be found in research streams such as service management (e.g. Shostack 1984, 1993, Zomerdiijk & Voss 2010, van Birgelen, Dellaert & Ruyter 2012), customer relationship management (e.g. Grönroos 2000, Storbacka & Lehtinen 2001, Law, Lau & Wong 2003) and self-service (e.g. Fitzsimmons 2003, Bitner et al. 2002). In all of these streams, service is understood as emerging within a series of interactions between customers and providers. Customer activity is either directed by service design or as constituting the customers' input into a relationship. Thus, much of service research seems to reflect the S-O-R paradigmatic understanding, i.e. that the role of customers is to react to providers' input.

A slightly more active understanding of the customer can be found within the more recent concept of co-creation, which refers to how customers are allowed to co-construct and personalise the service experience. Co-creation incorporates joint problem definition and solving between providers and customers and highlights the

customers' active input into the service process (Prahalad & Ramaswamy 2004, Grönroos & Voima 2012). The term co-creation has been used in service research to refer to many different types of interactions between providers and customers, which renders the meaning of the term ambiguous (Arantola-Hattab 2013). However, even though concept of co-creation assigns the customer a somewhat more active role than traditional service management does, the analytical focus is still on what happens within the interaction between a customer and a provider. Thus, co-creation is understood within the confines of a dyadic process of interaction. A notable exception is McColl-Kennedy et al. (2013), who go beyond dyadic interaction and investigate co-creation from the point of view of the customer's practice styles. They use the customer's point of view to identify general activity categories related to service use. The activities are understood as part of the co-creation process between customer and provider. Thus, McColl-Kennedy et al. (2013) see customer activity as an input into the production of the service. A somewhat similar perspective is provided by Moeller et al. (2013) who describe how to identify collaborative value creation patterns among customers.

Another approach that considers customer activity beyond interactions with a provider is research on customer engagement behaviour (CEB). CEBs are defined as behaviours that *'go beyond transactions, and may be specifically defined as a customer's behavioural manifestations that have a brand or firm focus, beyond purchase, resulting from motivational drivers'* (van Doorn et al. 2010, p. 254). However, even though CEB research focuses on the behaviour of customers beyond interaction, the approach is rooted in a dyadic relationship tradition. CEB focuses on customer behaviour that expresses the engagement with a particular provider (Brodie et al. 2011, Verleye, Gemmel & Rangarajan 2014). This makes CEB dyadic at heart even though the network of other actors is acknowledged (FP 3 in Brodie et al. 2011).

Beyond dyadic approaches to service, interactions have also been understood from a network point of view. The network approach was popularised in the Industrial Marketing and Purchasing (IMP) group's seminal research on B-to-B relationships (Håkansson & Snehota 1995, Ford 2004) and has more recently resurfaced within the S-D logic debates (Vargo & Lusch 2011) as well as in more recent research on customer experiences in actor networks (Baron & Harris 2010, Patrício et al. 2011). A network perspective employs a birds-eye point of view that sees the customer as only one actor among many others, and activities are understood mainly in terms of how they link actors to each other. The purpose of network analysis is to understand how a particular service or experience is produced through the interactions of actors. In S-D logic, networks are a set of resource-integrating actors who are tied together in shared systems of exchange (Vargo 2011). Such networks include providers and customers (Vargo & Lusch 2011). Consequently, a network perspective of service usually sees the customer as only one of many actors involved in exchange or in realising a service. Indeed, the analytical focus of S-D logic is on the system level and not on the individual customer level (e.g. Chandler & Vargo 2011). This is because its focal concepts, 'service' and 'resource integration', are seen in the context of exchange between actors. Such an understanding will lead to the exclusion of customer activities that are not relevant for service or resource integration.

However, some researchers have also suggested using the customer's *journey* as the starting point for understanding how different providers' services are combined with each other (Tax, McCutcheon & Wilkinson 2013). The customer's journey refers to the sum of the customer's experiences in the process of achieving a particular set of goals. The interactions with providers that happen in the customer's journey are the

foundation of a Service Delivery Network (SDN). The customer acts as the hub of an 'ego network' in which the customer's own understandings determine the relevant actors in the network. An SDN has been defined as *'two or more entities that, in the eyes of the customer, are responsible for the provision of a connected, overall service'* (Tax, McCutcheon & Wilkinson 2013, p. 4). Thus, even though this approach assumes the customer's perspective on what actors contribute to the provision of a service, customer activity is not addressed as such, and the customer's journey-based SDN can be considered an interaction- and service-network-centric approach.

To summarise, the above-mentioned approaches incorporate customer activity but mainly see it in the context of identifying the actors involved in creating either 1) a service or 2) an experience or 3) in the context of enacting a relationship. Because the mentioned approaches focus on these issues and not on the character of the customer's activities, they cannot be completely customer-activity-centric approaches. Instead, they present customer activity as an ingredient in the processes that will lead to the three mentioned outcomes (service, experience, relationship).

Certain aspects in solutions literature have come closer to assuming an independent customer activity approach. Solutions research has traditionally focused on understanding how providers can integrate products and services in order to respond to customer needs (e.g. Brax & Jonsson 2009). Sawhney (1999, 2006) suggests that solutions should be built around the activities of customers and describes how customers use many different providers to support ongoing concerns in their lives. He characterises this as 'metamarkets', which are markets that exist only in the customer's mind. According to Sawhney (1999), customers buy activities, which are part of ongoing cycles that include purchasing, using, learning, renewing and even selling. This is similar to the concept of 'customer scenarios', in which the service provider is encouraged to map out the customer's activities in relation to what he or she wants to achieve (Seybold 2001). These activities can then be understood in terms of different scenarios that can be used to successfully design the service process. Similarly, solutions have also been analysed in terms of the customer experience. Providers are encouraged to uncover the underlying goals of customers in the relational process and construct their offerings around these (Tuli, Kohli & Bharadwaj 2007). More recently, this view has been expanded to include the goals of the customer's network of family members (Epp & Price 2011).

It can be argued that solution-focused approaches for connecting services with customer activities are implicitly organised around the use of a particular provider's products or services. Thus, solutions can be considered more provider-centric than customer-centric. The underlying idea of a customer solution is to design a service that can support many different aspects of the customer's process, but it is organised around the idea of a linear (or cyclical) customer process in which products and services are used.

A similar idea is presented in the 'resource integration' concept (e.g. Vargo & Lusch 2006, Gummesson & Mele 2010). In this approach, customer activity is considered from the perspective of how resources are combined and utilised. Customer resource integration has been defined as *'the processes by which customers deploy their resources as they undertake bundles of activities that create value directly or that will facilitate subsequent consumption/use from which they will derive value'* (Hibbert et al. 2012, p. 248). Overall, resource integration refers to the general idea of a process in which mental and physical resources are combined to achieve goals and create valuable experiences (e.g. Arnould et al. 2006, Baron & Harris 2008). Resource integration is a



central concept in S-D logic (Vargo & Lusch 2004, 2008). Vargo (2008) argues that *'firm activity is best understood in terms of input for the customer's resource integrating, value creation activities'* (p. 214). However, despite the centrality of customer activities in resource integration, it is mostly focused on how resources are combined, used and transformed (e.g. Moeller 2008, Pareigis 2012).

What seems to be missing from the presented conceptualisations is an approach that focuses only on customer activities and is only seen through the context of the customer's own life. Such an approach would disregard the interaction aspect of service, and take the customer's activities in the customer's context as the focus. Something like this can be found in practice-theoretical service research. Practice-theoretical approaches to understanding customers in service have become increasingly popular since Warde's (2005) formative article on consumption and the theory of practice. The practice-theoretical stream of research views customer activity in terms of social action with individuals expressing meaning through their consumption choices (Holttinen 2010, Korkman 2006, Korkman et al. 2011). Korkman (2006) describes practices as *'[...] more or less routinized actions, which are orchestrated by tools, knowhow, images, physical space, and a subject who is carrying out the practice'* (p. 27). A common theme of practice theory is the interest in peoples' everyday lives or 'life-world' (Reckwitz 2002). Reckwitz argues that value emerges within a social context in which what customers say and do is interpreted and understood through what they communicate socially (2002). Customers integrate firms' input into their practices, and value is interpreted through the social meaning of these practices (Holttinen 2010). A practice consists of shared understandings of proper conduct in various situations and the procedures involved in carrying out different tasks (Schatzki 1996). When an actor 'performs' a practice, the performance results in some type of behaviour, i.e. activity. Thus, practice theory does not focus on activity as such but rather on the socially shared *practice*, which produces an activity when performed by a person. The analytical focus of practice theory is on the social, communicative aspects of behaviour involved with using a service. The customer is assumed to have an active role, but the analytical focus is usually on descriptive analysis of social meanings communicated through activity and not on the shape of the activity itself.

The second question considered in this section was the issue of how customer activity has been conceptualised in service research. In sum, the term 'activity' is used without reflection in most of the presented approaches and is understood in the general sense of 'doing something'. One of the few actual definitions of customer activity is presented by McColl-Kennedy et al. (2013), who define activity in the context of co-creation as 'performing' or 'doing' (p. 6). This is similar to the view presented in the context of practice theory, in which activity is understood as performances or in terms of 'doings and sayings' (Schatzki 1996). Such definitions are arguably somewhat of a tautology, however, as they substitute one undefined concept for another. To analyse customer activity in a structured manner, a stronger definition of customer activity is required.

### **2.2.1. Summary**

Service research usually implicitly involves the understanding that the customer is active in some way. However, this activity is understood either in terms of interaction with another actor or as an ingredient in a process that will produce either a service or a relationship experience. This point of view is understandable since service research is often concerned with the managerial problem of how to produce service and customer experiences. However, such perspectives result in depictions of service that are not

rooted in the customer's own context and understandings, which are the foundations of customer value. Instead, the presented approaches are implicitly rooted in the context of the service provider and define customer activity either in terms of the provision of a service, the extended service experience or the customer relationship experience. In approaches where the customer's activities are considered, none of the approaches provide a satisfactory conceptualisation of activity. Either the concept is not defined at all or it is simply defined in unspecified terms as sayings, doings or performances.

Table 2 summarises the role of customer activity in service research. It categorises the previously presented conceptualisations and indicates their position on two dimensions: the view of the customer's role (object, participant or subject) and the focus of the research.

**Table 2 Customer activity in service research**

		<i>Role of the customer</i>		
<i>Analytical focus</i>		<b>Customer as object</b>	<b>Customer as participant</b>	<b>Customer as subject</b>
<b>Customer's perceptions, experiences and practical outcomes</b>	Service management		Co-creation	Customer journey
	Customer experience management			Resource integration
<b>Customer activity in social context</b>	Advertising effects		Customer Network	Practice-theoretical perspectives
	Word-Of-Mouth		Identity goals	
<b>Customer activity in the individual's context</b>	Customer relationship management		Customer scenarios	<u>This thesis</u>
			Metamarkets	

Some of the approaches could arguably be placed in many boxes. However, each approach will only be put in the box that corresponds most closely with the approach. The left column contains approaches that view the customer as an object to be influenced. In line with the S-O-R paradigm, the role of the customer is to be the receiver of a series of inputs from the service provider. These inputs will result in different outcomes for the customer and provider. The outcomes can be thought of either in terms of 1) practical or experiential outcomes for the customer, 2) socially contextualised customer activities such as word-of mouth or the aggregate effects of advertising or 3) individual customer activities such as the ones that are recorded in a customer database.

The middle column contains approaches that view the customer as a participant who collaborates with the service provider. Thus, co-creation is a process in which the customer is allowed to contribute with some of the inputs that will lead to a particular

outcome. In the case of customer network identity goals, customer scenarios and metamarkets, the customer's activity is the foundation for building a particular solution or service. Thus, customers collaborate with service providers on their own terms and based on their own goals. The role of the service provider is to innovate accordingly so the collaborative processes between customers and providers can be improved.

The right column contains approaches that assume customers are subjects who act mainly independently from service providers and only engage in service use to achieve their own ends. Customer journeys and resource integration provide two perspectives on this; the first one focuses on experiential outcomes, and the second one focuses more on practical ones. On a social level, practice theory presents a view of the customer as an actor who engages in service as part of enacting social practices. Therefore, the focus is on the customer's activities but is understood within the framework of social meanings and shared routines. However, Table 2 is missing an approach that sees customers as subjects who act towards their own ends and only utilise companies' services as an enabling factor and that focuses on activities within the individual consumer's context without involving socially shared understandings or a narrow focus on outcomes. This is the position of the research presented in this thesis.

### **2.3. The customer as an active creator of value**

During the last two decades of service research, popular understandings about the value of service have largely evolved from a value-in-exchange perspective to a value-in-use perspective (Woodruff & Gardial 1996, Vargo & Lusch 2004, Grönroos 2008). According to the value-in-use perspective, the value of a service emerges when it is utilised within the customer's own activities (Normann 2001, Holbrook 1994, 2006a and b, Grönroos 2008). The notion of customer activity as the locus of value creation can be traced back to the 1950s (Abbott 1955, Alderson 1957, Boyd & Levy 1963, Woods 1981, Holbrook & Hirschman 1982). Abbott (1955) suggested that people do not desire products as such but satisfying experiences that are attained through activities, which in turn may require physical objects or the services of human beings. Vargo (2008) agrees and states, *'firm activity is best understood in terms of input for the customer's resource integrating, value creation activities'* (p. 214). Therefore, in order to understand how service supports value creation, one should try to understand how service usage activity fits into the customer's own system of value-creating activities (Grönroos & Ravald 2011).

In this thesis, people are viewed as striving towards valuable experiences. Making money or eating can be seen as valuable experiences as the subject has assigned a particular value to them; they satisfy motives or are otherwise understood as valuable. This implies that the thesis presents humans as rational actors. However, this is not the case. In this thesis, humans are seen as striving towards valuable experiences under the constraints of bounded rationality (Kahneman 2003). A particular person may, for example, think that he or she is acting in a rational manner. Seen from the person's subjective point of view, the activity is rational. However, seen from a wider, more informed perspective, it is not. Beyond this, the thesis understands the relationship between activity and customer value as it was presented by Abbott:

What people really desire are not products but satisfying experiences. Experiences are attained through activities. In order that activities may be carried out, physical objects or the services of human beings are usually needed. Here lies the connecting link between man's inner world and the outer world of economic activity. People want products because they want the experience-

bringing services which they hope the products will render. (Abbott 1955, in Holbrook 2006b, p. 715)

This citation contains several important observations. First, it characterises customer value as experiential: customers strive for valuable experiences (e.g. Vargo & Lusch 2008, Helkkula, Kelleher & Pihlstöm 2012). Value is completely phenomenological and defined by people's understandings. Second, it suggests that customers try to achieve such experiences through voluntary activity (e.g. Korkman 2006, Ravald 2008, Holttinen 2010). Thus, we can assume all voluntary activity from the customer's side aims at realising some type of value for the customer whether it is extrinsic or intrinsic (Holbrook 2006b). Even in cases where activity is counterproductive, it is motivated by perceived positive outcomes. For example, deliberate self-harm has clear negative consequences, but is motivated by short-term release of emotion (Reynolds & Harris 2009, Klonsky 2007). Third, the above citation presents products and services as facilitators of activity (e.g. Grönroos 2008, Holttinen 2010). From this perspective, service use is only one activity among others, i.e. customers can also engage in activities that produce valuable experiences without the involvement of economic actors (Heinonen et al. 2010, Grönroos & Voima 2012). Thus, the *use of service* can be defined as a *customer activity that is assisted or made possible by the inputs of a particular business or organisation*. To understand how customer value emerges in the broader sense, one needs to understand service usage in the context of independent customer activity.

This reduces the role of the company from a producer of value to a supporter of value (Grönroos 2008). For customers to perform activities, they often need (or want) to utilise different products and interactions with companies. These are evaluated by customers according to their ability to enable and support the desired activities. The activities are usually part of some kind of process. Ravald (2008) argues that customers' accumulated evaluations of individual activities over time will turn into an overall experience of value. Ravald takes a more holistic perspective on value than, for example, Grönroos (2008) or Holbrook (2006b). According to Ravald (2008), customers' perceptions of value emerge over time as a holistic interplay between all relevant elements in the customers' context of value-creating activities, including service-assisted activities and activities that are carried out independently.

This is in line with C-D logic's understanding of value. C-D logic suggests the term 'value-in-life' as an alternative to terms such as 'value-in-use', 'value-in-experience' or 'value-in-context' (Arantola-Hattab 2013). In contrast to the other terms, 'value-in-life' refers to how, from a customer-dominant point of view, value is not deliberately created by providers or customers but emerges within the customer's behavioural or mental processes when the customer *'interpret[s] experiences and reconstruct[s] an accumulated customer reality'* (Heinonen, Strandvik and Voima 2013, p. 109). Thus, the emergence of value cannot be confined to interactions, service use or even individual experiences but must be seen from the point of view of the customer's entire life.

However, as indicated earlier, the customer's holistic experience of value is a consequence of carrying out desired activities. Thus, the value of a particular activity is completely dependent on what the individual customer sees as desirable. Based on Barnes & Cumby (1999), Ravald (2008) posits that no universal definition of value exists. Different people value different things, which is a consequence of the person's unique, underlying criteria. Ravald (2008) provides the act of buying a new car as an example. Some people like this activity and experience it as being of value to them, while others think the buying process is tiresome and contributes negatively to value.

Thus, consumers engage in activities to gain something that they desire and make sacrifices to get it.

This means that understanding value is a question of understanding motives for activity. Many methods for categorising consumer activity motives have been suggested. One of the most common is dividing them into congenial and instrumental activities (Alderson 1957). This refers to whether the activity *in itself* provides some joy or satisfaction for the customer or whether it is done to achieve something else. The division has later resurfaced in consumer research as the distinction between instrumental and hedonic value (Batra & Ahtola 1990, Voss, Spangenberg & Grohmann 2003, Holbrook 2006b). The shift from the term ‘congenial’ to ‘hedonic’ emphasises the importance of the positive internal states desired by the consumer. Thus the creation (or emergence) of customer value can be seen from two perspectives: 1) the process of value creation, i.e. individual or joint activities between parties and 2) value outcomes in terms of experiences during the process, which are then reflected and interpreted by the individual (Gummerus 2013).

This thesis defines customer value as the customer’s understanding that the content or outcomes of his or her activities are acceptable or above acceptable. ‘Understanding’ refers to the customer’s vague or more clearly formulated beliefs, explanations and emotional associations concerning his or her current state of being within some particular domain of life. More precisely, the main challenge in understanding value seems to be gaining insight into the dynamics between customer motives, activities and the resulting experiences, memories and understandings. This thesis will, however, not explore this discussion but will rather acknowledge this as a core question to consider. Instead, the thesis sees customer activity as the frame for service and value. Service is used within customer activities, experiences arise within activities and customers’ understandings of value outcomes are rooted in experiences.

The preceding discussion shows how the concept of customer activity is intimately linked to the concept of customer value. Thus, to be able to gain insight into the emergence of customer value, the concept of customer activity should be clarified.

#### **2.4. Conceptualising customer activity**

The following section discusses the concept of ‘activity’, how it has been defined in the past and how this thesis views it. Defining activity is in no way a straightforward task. Håkansson & Snehota (1995) see activity as ‘a sequence of acts directed towards a purpose’ (p. 52). However, they also emphasise the challenges in analysing activity:

Analysis of activities presents some difficulties: one is that there is no given activity unit. As a sequence of acts, activities can be partitioned in numerous ways. The partitioning of an activity sequence is always to some extent arbitrary, especially when we face a complex activity pattern. Another difficulty is to classify activities in analytically meaningful categories. (Håkansson & Snehota 1995, p. 52)

Thus, they identify two main challenges: 1) defining the activity units and 2) classifying activities in analytically meaningful categories. This thesis will try to tackle both these problems. The following section will first briefly examine the philosophy and psychology of action to gain an initial understanding of how to analyse and define activity. Next, a framework from cultural activity theory is introduced that addresses the classification activities, which is the second problem.

### 2.4.1. *The analysis of action*

Philosophy has a long tradition of trying to understand the qualities of human activity. This has usually been concerned with the study of the concept of 'action'. What is an action, and how can it be identified?

A general definition of 'action' is that it is a sequence of behaviour that aims to fulfil a purpose. Thus, it is more than mere happenings; the action is instigated with a particular goal in mind (Wilson & Shpall 2012, Moya 1990). The term 'action' is general and used at many different levels. It can refer to both longer and shorter sequences of behaviour that can aim to fulfil goals that are either larger or small in scope. Several attempts have been made to find the 'root' action, i.e. identify a type of action that can serve as the basic unit in discussion and analysis of behaviour. For example, Danto (1968) introduced the concept of 'basic actions', which are actions that he sees as the basic building blocks of activity. These actions are not caused by something else and cannot be divided further. Thus, in the action of firing a gun, 'pulling the trigger' is a basic action while 'firing a gun' is not as it is composed of actions such as raising the arm, aiming, pulling the trigger and lowering the arm. Such an understanding is not very useful from a practical point of view, however, as it only serves to identify very basic units of behaviour.

Psychology research presents a similar problem. In psychology, the quest for a 'unit of behaviour' is ongoing. Behaviourists such as Watson and Skinner studied simple units of behaviour they called 'molecular behavior' (Madsen 1974) and focused on small behavioural sequences happening at a particular moment. In contrast, Tolman (1932) introduced the concept of 'molar behavior', which refers to goal-directed behaviour. Madsen (1974) clarified the difference between molecular behaviour and molar behaviour as the difference between '*movements and actions. It is molar behavior (or actions) which is similar – or perhaps identical – to the human activities which interest people in their daily lives*' (p. 436).

The concept of molar behaviour is similar to the 'action unit' in means-end theory (Gutman 1997). An action unit is defined as '*a planned sequence of acts directed toward goal achievement*' (Gutman 1997, p. 545). From this point of view, an action unit is part of the means-end chain in which actions are taken to produce desired outcomes the consumer believes will satisfy some particular goal in his or her life.

In summary, the basic unit of understanding activity traditionally seems to have been the action (or some analogous term): a short sequence of voluntary behaviour aimed at producing some type of outcome. This is a very general definition, however, that does not seem to be helpful in the task of understanding how to analyse activity. It does not say much about how to identify the boundaries of activity in terms of where it begins and where it ends. Thus, the next section will go deeper into a discussion of this problem.

### **2.4.2. The problem of unitising activity**

This section discusses the problem of dividing the flow of human activity into units. Historically, this has been called a B-series analysis (Schatzki 2006). In this analysis, events are given relative position to each other according to which event precedes the other. In contrast, an A-series analysis organises events according to whether they belong to the past, present or future.

If we adhere to a B-series view, how can we decide when one action begins and another ends? Schatzki (2006) notes that some philosophers posit that actions cannot be divided into units and that human life must be seen as an uninterrupted flow of experience (i.e. Bergson 1965, Giddens 1979). However, Schatzki (2006) argues that it is possible to separate human actions from each other through our own individual understandings. Schatzki's argument for dividing human activity into units is that we, as humans, are aware of how the themes tie sequences of behaviour together into nameable units. This knowledge of our own performances of action is enough to convince Schatzki that activity can be understood as units, and thus that a B-series analysis of action is possible (i.e. actions ordered one after the other according to temporal position).

Schatzki (2006) summarises the temporal aspect of activity by stating, *'The time of activity is an overlapping continuum of action performances each of which is structured as coming towards an end starting from a motivating state of affairs'* (p.155)

This means that human activity can be seen in terms of units of behaviour that follow each other and move from motivations towards goals. Thus, it seems that Schatzki (2006) sees motivations and goals as the concretising factor of activity and that they constitute the 'knowledge of performances' he sees as delimiting a unit of activity. Beyond this, he also sees activity as overlapping so the actor can simultaneously perform many actions.

This thesis adopts Schatzki's (2006) view of the unitisation of activity. Activities are given boundaries by human understandings and can be separated from each other not by any outward behavioural signs but by their connection to separate motivations or goals. The next section goes deeper into the problem of unitising activity by presenting a research tradition that is completely based on the concept of activity: activity theory.

### **2.4.3. The activity-theoretical view**

The preceding discussions have shown that frameworks for providing in-depth understandings of customer activity are scarce within marketing. This thesis aims for an understanding in line with the customer-dominant logic of service, which stresses customer centricity as well as the context and motivations of the individual (Heinonen *et al.* 2010, Heinonen, Strandvik & Voima 2013). Thus, IMP and the actor network theory are unsuitable as they focus on the system of actors from an outside observer's point of view. On the other hand, practice theory is unsuitable as it operates on the social and cultural levels of understanding, focusing on the customer as a performer of practice in the social world. There is, however, a research tradition that focuses on activity, contains a sophisticated framework for delimiting and understanding activity and understands it as an individual endeavour without sacrificing the ties to the social context: activity theory.

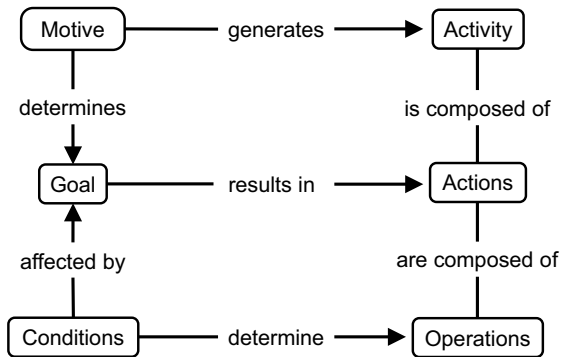
Activity theory stems from a stream of research known as the ‘cultural-historical’ school of Soviet psychology (Yasnitsky 2011, Holt & Morris 1993). The cultural-historical school of psychology posits that a narrow focus on either the individual or the social environment does not give a complete understanding of the human condition. Instead, this tradition looks at how ‘the mental life of the human individual exists in the form of its expression’ (Bakhurst & Padden 1991, p. 207), which means that the individual’s mental life is inseparable from interactions with people, objects, language and shared social meaning. To understand the development of skills, for example, all the aforementioned factors have to be considered.

Activity theory focuses on understanding the psychology of the individual by seeing socially shared human activity as an expression of mind (Leont’ev 1978). This means that human activity and mental states are seen as a reflection of each other. A central unit of analysis in activity theory is the activity system, which is defined as a ‘system of collaborative practices’ (Engeström 1988, p. 30). An activity system is a systemic whole in which a subject uses instruments to work on an object within the context of a community, its rules and its division of labour (Engeström 1987). The framework has been applied in many contexts, such as organisational studies (e.g. Holt & Morris 1993, Prenkert 2006, Wägar 2011), educational studies (e.g. Storch 2006, Coldham 2011) and studies on computer-human interaction (e.g. Heaton 1998, Howard 2007). From the point of view of this thesis, activity theory is interesting because it has a more developed understanding of the concept of activity than practice theory and action theories. Of particular interest is the activity theoretical understanding of levels and units of activity.

Activity theory presents a three-level, hierarchical understanding of activity. Activities, which are units of behaviour, are understood as being driven by motives. Leont’ev (1977) describes ‘activity’ as ‘... *a unit of life, mediated by mental reflection, by an image, whose real function is to orientate the subject in the objective world*’ (p. 182). This means that activities are distinct units of behaviour given their boundaries by human understandings. How can these boundaries be delimited?

According to Leont’ev (1978), activities are distinguished through a specific motive. To satisfy motives, an activity is initiated. The activity consists of actions that aim to accomplish a set of goals (Leont’ev 1978, Engeström 1999, 2000, Wilson 2009). Thus, human activity and motivation can be understood as a hierarchy that is somewhat similar to how the consequences of product use correspond with consumers’ values in means-end theory (Gutman 1982). Figure 1 shows the link between the internal factors motive, goals and conditions and external behaviours consisting of activity, actions and operations. Motives generate activities, which are the largest units of behaviour. When motives meet a real world situation, they are concretised into a set of goals, which are realised as practical actions. Thus, a particular activity will be realised as a series of actions. Actions, in turn, are subdivided into operations. An ‘operation’ is the smallest unit of behaviour carried out under the practical conditions of the surrounding world.





**Figure 1 Activity hierarchy adapted from Wilson (2006)**

Beyond the cognitive drivers for activity (motives and goals), activity theory also incorporates external factors such as social conditions and rules as well as practical conditions (Engeström 2000). Thus, human activity is not understood to exist in a vacuum. It is influenced by and accommodated to socially shared understandings and the conditions of the surrounding world. Activity theory considers outward, visible activity as the basic type of activity. According to Leont'ev (1978), people '...participate in an active relationship with the external world, in order to exist they must act' (p. 13). Thus, internal states and representations of activity serve as a sort of mirror image of external activity. Internal states generate external activity, but external activity also generates internal states (Wertsch 1981).

Cultural activity theory has been criticised for two main reasons: 1) it is functionalist and rationalist and 2) its assumptions are firmly rooted in the cultural climate of the Soviet Union (Blunden 2010). The first criticism concerns the assumption that people engage in activity based on rational needs and motives. This is arguably not always the case. The second criticism concerns the fact that activity theory originates in the socialist assumption that the most important part of human existence is work. Activity is the central concept for understanding work. Thus, activity theory must be applied with these caveats in mind. This thesis adopts the basic hierarchical understanding of activity (figure 1) from activity theory but with the addition that individual activity is not always well considered or thought through by the actor. Motives and goals can be unclear and contradictory, and people try to do the best they can under these conditions. However, as indicated, the hierarchical framework of activity is only one part of the activity theoretical field of research as a whole. For this reason, this thesis should not be seen as an activity theoretical study as such but rather as a study focusing on customer activity that borrows one of the central frameworks of cultural activity theory.

## 2.5. Systems of customer activity

The preceding section discussed the unitisation of activity, showing how sequences of behaviour can be understood as units operating on different levels of abstraction. The following section will discuss an interesting analytical consequence of unitising activity: It allows us understand activities in terms of systems.

Ravald (2008) suggests that customers' activities are connected and that instrumental activities support congenial ones. This indicates that the customer's value-creating activities form an interconnected *system* of activities. In a system of activities, the individual activities are not seen as forming a linear sequence, but rather a constellation where one recurring activity stands in some particular relation to another. Boyd and Levy (1963) suggested that marketers should investigate peoples' 'consumption systems' and the role of products in such systems. However, very little systemic analysis of customer activity has been performed in marketing<sup>1</sup>. It has mostly been approached in terms of how products are combined with each other within sequences of customer activity (e.g. Lai 1994, Kleine, Schultz-Kleine and Kernan 1992). However, if we assent that customers maintain systems of activity through which they use products and services in the way envisioned by Boyd and Levy (1963), the questions arise: how do these systems emerge and what forms them? In sociology, this problem has been approached in terms of the tension between individual agency and the formative effect of social structures (e.g. Giddens 1984). In service marketing, it could be seen in terms of the tension between service systems and the customer's own goals and value-creating processes. The ways in which customers go about their business is a consequence of what they want to do and how they want to do it but also of the prerequisites set by service providers in terms of enabling activity.

The following section discusses these two contrasting ways of understanding how systems of customer activity emerge. It contrasts the service system view, which understands the available service systems as shaping customer activity, with a customer-centric view, which sees the customer as the shaper of activity systems, in which service is used.

### 2.5.1. *Service systems as shapers of customer activity*

One way to view the emergence of customer activity is to see it as dependent on existing service systems. For example, the service blueprint of a particular service lays out the potential path of activity the customer can engage in (c.f. Bitner, Ostrom & Morgan 2008). Here, the service provider sets the boundaries of customer activity and gives the impression of control over the customer's activities.

On a larger scale, service systems (in the service dominant sense of the term) present the same view (c.f. Maglio & Spohrer 2008, Vargo, Maglio & Akaka 2008, Maglio, Vargo, Caswell, & Spohrer 2009). Service systems have been defined as value co-creating configurations of people, technology and value propositions (Spohrer et al. 2008). These systems, where many organisations may be involved, lay out the frame for potential customer activity: Service systems make service possible, which the customer

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<sup>1</sup> Note that the term 'systemic' is used here to refer to the understanding of a phenomenon in terms of systems. It should not be confused with the term 'systematic', which can refer to being methodical in procedure or plan.

then can engage in. From this point of view, the customer can only realise certain laid-out paths of activity that are created by networks of service providers.

However, such an understanding provides a very narrow view on what the customer can or cannot do and is fixed upon the service as the central concept. Abbott (1955) suggested that people do not desire products or services as such but satisfying experiences that are attained through activities, which in turn may require physical objects or services from human beings. Indeed, Vargo (2008) agrees that *'firm activity is best understood in terms of input for the customer's resource integrating, value creation activities'* (p. 214). The logical conclusion of this contrasting view—that service is only an input for activity—is that customer activity is not controlled by service configurations. Rather, it is supported by them. In that case, the customer should be in control of shaping the chosen activity while using the service as a resource in enabling it.

### **2.5.2. The customer as shaper of activity systems**

How can we understand the customer as a shaper of activity? In marketing, the problem of understanding the form and origin of consumer activity has been approached from many different angles. Drivers of activity have usually been delimited and structured in terms of, for example, tasks, goals or life themes. Boyd and Levy (1963) suggested that marketers should consider the 'total task' (p. 130) of consumption, which means looking beyond the core consumption activity itself and considering the whole progression of activities that lead up to the final phase. The frame for a set of activities can be a single task (such as painting one's room). However, it could also be some ongoing concern, such as managing one's personal economy. One might also choose to see activities as generated by goals. Consumer goals have been organised into hierarchical levels (c.f. Pieters et al. 1995, Huffman et al. 2000) in which higher-level consumer goals guide the formation of lower level goals, which in turn beget activity.

Another concept which can frame customer activity is the 'value-creating process' (e.g. Grönroos & Ravald 2011). Ravald (2009) describes the customer's value-creating process as a system of value-creating activities. The boundaries of the value-creating process are decided by the customer. This means that marketers should not presuppose knowledge of the contents of a particular value-creating process as the set of activities are dictated by individual taste and context. Only the customer can know which activities are involved in a particular process that supports the emergence of valuable experiences.

Thus, another way of viewing the emergence of customer activity systems is through the customer's requirements. The customer creates recurring systems as he or she sees fit. Reality, however, consists of a tension between two shaping principles. Customers shape systems of activity according to their own requirements but must accommodate the restrictions imposed by the systems of economic actors. In short, the available services set some of the boundaries for what customers can and cannot do.

The previous sections considered who controls the formation of activity systems. What has not been addressed, however, is how to determine the *focus* and *boundaries* of a system of activities. What set of activities can be said to form a system, and why?

### **2.5.3. *The focus and boundaries of activity systems***

Two core questions need to be considered when it comes to the task of linking different customer activities into systems: 1) how to understand the focus or connecting principle that links activities together, and 2) how to set the boundaries for the system of activities. A 'connecting principle' refers to an idea that delimits and outlines a system of activities. This idea can either be selected by the researcher or have its origin in the understandings of the customers themselves. The term 'connecting principle' has been used by C.G. Jung to describe the connection between different types of events in peoples' lives (Jung 1972). The term is here adopted to refer to the principle, theme or idea that connects customers' different activities to each other. Consequently, a system of activities can be delimited in many possible ways; this section will consider some of them.

In marketing, the shape of a customer's system of activities has traditionally been understood in terms of the customer's task (Boyd & Levy 1963). To complete a certain task, the customer needs to carry out a linear series of activities in which products and services play a role. In her study of customer value in car buying and ownership, Ravald (2008) went beyond task and looked at the activities that belonged to the context of car ownership. Thus, we can identify two initial types of connecting principles for activities: task and consumption object. In the first, the activities are connected by the customer's intentions and understanding of what needs to happen to achieve something. In the second type, activities are connected to each other by involving a particular object of consumption. More recently, customer activities have also been seen as identifiable by belonging to the context of a service or service co-creation (Tax, McCutcheon & Wilkinson 2013, McColl-Kennedy et al. 2012). In line with the S-D logic view of service as the focal concept of interest (Vargo & Lush 2004, 2008), the customer's activities are identified and understood in terms of the realisation of a particular service.

Within the realm of practice theory, activities are linked by the practice (Schatzki 1996, Warde 2005). The connecting principle of activity is usually referred to as the 'nexus' of practice. Activities are either grouped together because they have the same function or form across many different contexts (referred to as dispersed practices), or they have a particular context-related form and function (referred to as unified practices) (Arsel & Bean 2013). These are organised by the person's 'teleoaffective structures' (Schatzki 1996), which can be characterised as a set of cognitive and emotional understandings. One can cautiously suggest that the second type (unified practices) connect activities in a similar way as tasks, i.e. they tie together a series of activities aimed at a specific, desired set of outcomes. However, the exact nature of unified and dispersed practices can still be considered somewhat unclear (Arsel and Bean 2013).

A final possible connecting principle is 'life theme'. A life theme is 'the network of thoughts, feelings and activities that a consumer has built around some particular object, such as a hobby, long term goal or other activity' (Heinonen, Mickelsson & Strandvik 2010, p. 6). This type of understanding ties activities together according to some broader theme in a person's life, such as work, a hobby, childrearing, health or illness.

Thus, based on the above, we can suggest a typology for the connecting principles (or foci) of systems of activity (Table 3).

**Table 3 Typology of connecting principles for activity**

<b>Connecting principle</b>	<b>Included activities</b>
Consumption object	All activities that incorporate interactions with a particular product, brand or service
Service	All activities that relate to the realisation of a service for the customer
Task	All activities that relate to the customer performing a task
Practice	The nexus of a set of sayings and doings
Life theme	All activities that belong to a theme in a person's life

This is an initial idea of the types of foci a system of activity can have. It can be assumed that many more types can be discovered. The presented foci range from those with narrow boundaries to more broadly delimited ones.

Having discussed what constitutes the core of a system of customer activities, the second problem concerns setting the boundaries or delimiting a system of activities. This question is intimately related to the previous problem. From a service provider's point of view, the question concerns which activities are related to the use of the service. Where should the boundaries be drawn? Most existing approaches make a quite narrow functional or service-centric delimitation. Conversely, from the customer's point of view, service-enabled activities can be expected to be related to a wide number of other activities. The presented typology of connecting principles ranges from a narrow view (consumption object) to a broad one (life theme). Thus, the challenge for researchers and practitioners is deciding how broad a view on customer activity is required to resolve a particular problem.

## **2.6. Synthesis and definitions**

This section presents a synthesis of the view of customer activity presented in this thesis. This synthesis is based on the preceding theoretical discussions. First, definitions are provided for the two main concepts: 'customer activity' and 'systems of customer activity'. Then, a framework is presented that explains the role of the different concepts.

### **2.6.1. Definition of customer activity**

Chapter 2.2 of this thesis ended with the conclusion that customer activity has not yet been adequately conceptualised in service research. Thus, the following sections focused on this task. Chapter 2.3 showed that the study of customer activity is motivated because it the concept has a core role in the creation of value from service for customers. Chapter 2.4 showed that human life can be understood as consisting of

finite sequences of behaviour. This conclusion was mainly based on arguments related to the philosophy of action (Moya 1990, Schatzki 2006). The chapter also presented a hierarchical view of activity (Figure 1), which was appropriated from activity theory (Leont'ev 1978).

Based on this, a customer activity is here defined as a discrete unit of behaviour with an identifiable beginning and end. Activities are initiated or maintained to create or uphold some type of value for the customer, and their boundaries are given by human understandings. This means that the beginning and end of a particular activity are given by the understandings of the person carrying out the activity and the interests of the researcher. Value is understood as experiential, i.e. what is valuable to a particular person is dictated by his or her own understandings and experiences, which are influenced by social context. The role of the service provider is to provide input customers can use in their systems of activity in order to achieve experiences of value.

To specify, the understanding presented in this thesis discerns between 'activity' and 'activities'. 'Activity' refers to the general state of being active, while 'activities' are specific units of behaviour as defined above. Thus, the term 'active customer' refers to an understanding of the customer as an active party who does things, has goals and has agency. The term 'customer activity' refers to what the active customer does, i.e. the outcomes of being in an active state.

### **2.6.2. Definition of systems of customer activity**

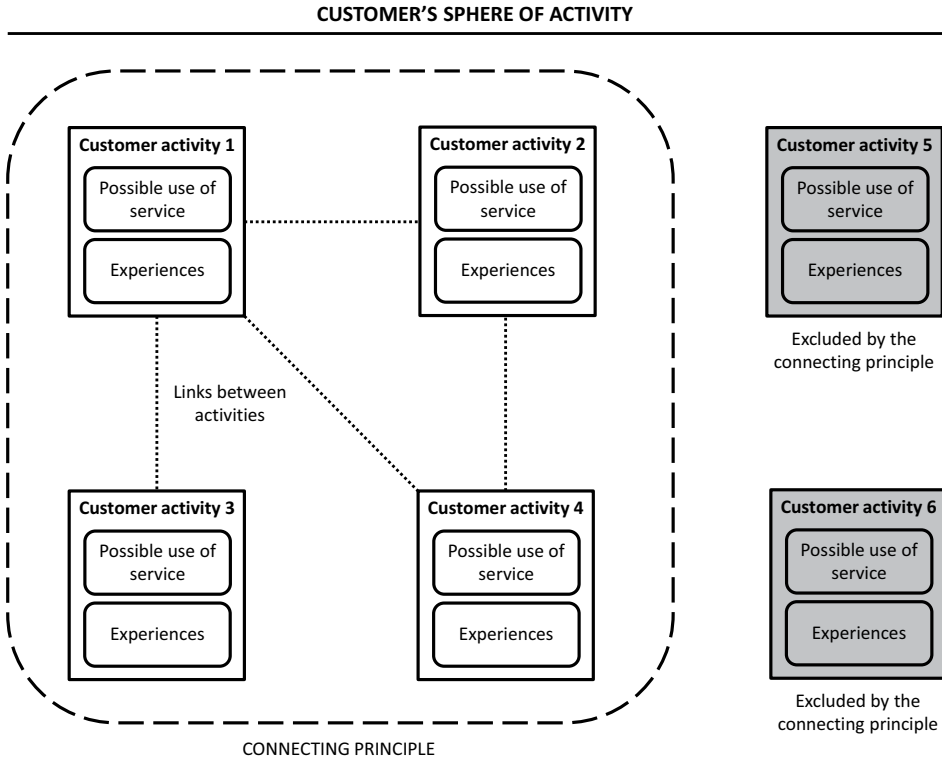
Chapter 2.5 discussed a systemic view of customer activity and suggested different ways to delimit the boundaries of a system of customer activity. A customer's system of value-creating activities can be defined as a set of recurring, interlinked activities that have a shared theme or purpose and that a customer draws on to create value for themselves in their life or business. By identifying links between activities, systems of activity can be illustrated in the form of activity networks. The boundaries of the activity system are defined by the connecting principle, i.e. the central connecting idea that determines which activities will be included.

The term 'system' is used here in the general sense to refer to a 'set of elements standing in interrelations' (Bertalanffy 1969, p. 55). What happens within these individual elements has consequences for the whole system and vice versa (Ackoff 1981). Consequently, this thesis argues that service interactions are part of a system of customer activities. What happens within a service interaction has consequences for other related activities in the customer's system of activities and vice versa. Thus, the service provider should not only be interested in the service interaction but in the customer's system of activities as a whole.

### **2.6.3. Conceptual framework**

The framework presented in figure 2 represents the understanding of customer activity presented in the preceding definitions. The figure contains a hypothetical array of recurring customer activities. These activities exist within the customer's sphere, i.e. they are activities carried out by the customer. In each activity, a service might be used either to simplify the accomplishment of the activity or to make it possible. The use of the service happens *within* the activities. From the perspective presented in this thesis, service is a tool to be used within the process of carrying out an activity. A service is not

a compulsory ingredient in all activities. Rather, some activities are dependent on services and some are not. Therefore, the term ‘possible use of service’ is employed in figure 2. It should also be noted that ‘service’ refers to the general concept. The framework is not meant to suggest that activities can include only one type of service or one single provider.



**Figure 2 Framework for customer activity**

Figure 2 also indicates that all customer activities result in experiences regardless of whether the service is used in the activity or not. The sum of these experiences serves as the basis for the customer’s emergent understandings of value.

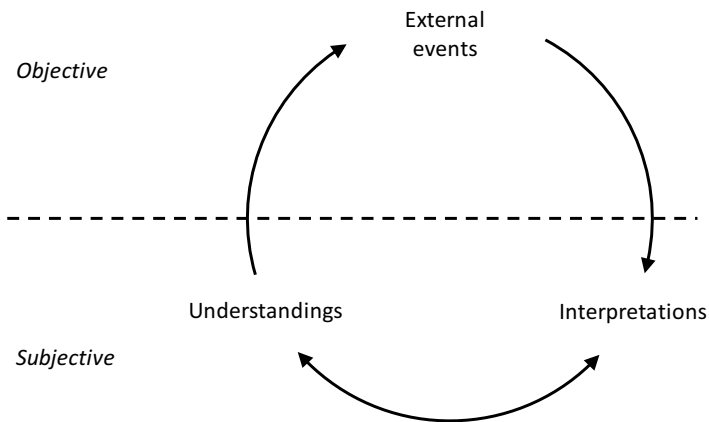
The selected connecting principle, i.e. the theme of the system, delimits which activities are included in the analysis. Activities five and six represent activities that are not included by the connecting principle. Therefore, they are not part of the focal system of activities and are shown in a darker shade to contrast them with the selected activities. The selected activities, highlighted by the connecting principle, form an interlinked *system* of activities. Each activity in the system does not necessarily need to be directly linked with all the others. However, changes in one activity will affect the system as a whole. This framework underlies the discussion within the rest of the thesis. Each essay will express some aspect of the framework from different perspectives.

### 3 RESEARCH METHODOLOGY

This section discusses the ontological, epistemological and methodological assumptions of the thesis as well as the methods used to collect and analyse the empirical material.

#### 3.1. Ontological assumptions

Ontology deals with the basic worldview of the researcher, i.e. what he or she believes to exist. Knowledge of a researcher's ontological position has implications for understanding what the researcher has done and why. One of the most basic ontological questions in social science is the question of whether 'reality' is external to the individual and unaffected by subjective understandings, or if it is the product of one's mind (Burrell & Morgan 1979). This thesis takes a dualistic position on ontology. On one hand, it assumes that real-world events exist independently of what is thought about them, which is similar to the objectivist position. On the other hand, the emergence and interpretation of these events is completely dependent on people's subjective understandings, which is similar to the subjectivist position. Thus, we have a circular system consisting of understanding, events, interpretation and feedback to understanding. Figure 3 illustrates this idea.



**Figure 3 Ontological framework**

In Figure 3, 'external events' refer to occurrences external to the individual that can be observed by another party. The term 'understandings' refers to the individual's complete set of beliefs, memories and associations; this idea is similar to the 'teleoaffective structures' of practice theory (Schatzki 1996). Finally, 'interpretations' refer to the process in which individuals make sense of a particular external event based on their current understandings.

Thus, Figure 3 describes reality as an ongoing dialogue between the subjective and the objective. People act according to their individual understandings, which results in external 'real world' events. These are interpreted by the actors themselves and other participating observers based on their set of understandings. The interpreted meaning



of the real-world event is then integrated back into peoples' individual understandings, which results in a back-and-forth between the two domains. Finally, actors share, harmonise and contest their understandings and interpretations with each other on the social level through different types of communication (an external event).

Thus, the subjective and objective are two communicating sides of reality; objective events are reflected in subjective understandings, and subjective understandings are manifested through agency in objective events.

This is similar to the position taken by critical realism (Potter & López 2005). It can also be categorised as a stratified ontology that assumes multiple dimensions of reality as described by Lewis and Kelemen (2002): *'Reality is at once "made" and "in the making" as advocates examine both entities and processes, rather than collapsing these dimensions'* (p. 258). This means that actors' subjective worlds, social entities and processes can be incorporated into the same worldview, where *'actors increasingly pursue numerous, diverse, even contradictory goals'* (Lewis & Kelemen 2002, p. 258).

### **3.2. Epistemological assumptions**

The ontological position of this thesis leads to three epistemological problems.

- 1) What can be known about external events?
- 2) What can be known about individuals' interpretations of these external events?
- 3) What can be known about individuals' understandings?

In this thesis, I assume the researcher can make detached observations of external events; this assumption is similar to the naturalist position (Potter & López 2005). However, when moving over to actors' interpretations and understandings, the researcher must assume an interpretivist position and focus on understanding and describing rather than predicting. Thus, the thesis combines a constructivist view, which sees reality as being created in individuals' understandings, with a realist view that sees reality as cold, hard and external depending on which part of the framework is being discussed (Burrell & Morgan 1979). This duality is reflected in the process of knowledge production:

There are sociological determinants in the process of knowledge production whether in the natural or social sciences. The production of knowledge is itself a social process and one in which language is deeply embedded. However, knowledge cannot be reduced to its sociological determinants of production. Truth is relative to be sure but there is still both truth and error (as well as lies!). (Potter and López 2005, p. 9)

Thus, factual knowledge is available about the world, but the discovery of this knowledge happens within the social context and the properties of language.

### 3.3. Methodological considerations

This purpose of this research project is to create insight into customers' service use by applying a customer activity perspective on service. The concept of 'customer activity' has not been defined or conceptualized properly in the context of service research. Furthermore, there are no studies that analyse customer activities in terms of interconnected systems. Thus, the presented purpose requires a conceptual and exploratory research approach. The methods chosen vary from literature review and conceptual discussion to qualitative and quantitative approaches. All three essays are predominantly theoretical. However, they all include empirical studies that apply the resulting conceptualisations. By presenting functional operationalisations of the presented theoretical concepts, the studies connect the theoretical to the practical in a way that would not have been possible using a purely conceptual approach. The generality of the introduced concepts and ideas ('customer activity', 'systems of customer activity' and 'value in systems of customer activity') means that they should be seen as analytical lenses rather than explanatory principles. Thus, they cannot be 'tested' as such. Instead, the empirical studies serve as examples that show how an application of the presented concepts can generate new types of information.

Thus, the research in this thesis can be considered theory-generating and exploratory in nature. For this, a mixed-methods approach is selected (Creswell & Plano Clark 2011). The choice of a mixed methods approach is based on the assumption that collecting diverse types of data provides a better understanding of a research problem than qualitative or quantitative methods would provide on their own (Creswell 2014). This thesis is concerned with the identification of systems of customer activity as well as describing relationships between the activities in identified systems. Qualitative and quantitative methods can be used to achieve this, and a mix of them are necessary to create the kind of understanding that this thesis strives for.

The thesis focuses on a systemic understanding of customer activity. Thus, one of the main methodological problems concerns how to identify systems of customer activity. Insight into human activity can be gained in many possible ways. Two popular methods are ethnography (e.g. LeCompte & Schensul 2010) or phenomenological interviews (e.g. Seidman 2012). The first stresses observation in the context in which actual behaviour happens, while the second focuses on the individual actor's own understandings. The aim of this thesis is not to present rich and detailed descriptions of activity but rather to investigate it on a higher level of abstraction. The adopted customer-dominant approach emphasises the customer's own perspective. Because of this, the focus should be on the customer's understandings and perceived structures of activity. Thus, interviews are the best approach for identifying activity in this thesis.

However, the thesis also focuses on connections and relationships between activities. Activities are described in terms of systems that can be illustrated in terms of networks. A quantitative approach could provide data that supports the visualisation of the relationships between activities. Hence, a survey-based approach is also introduced. Quantitative data gathered in surveys can, by representing information in numeric form, highlight differences between cases on a set of fixed dimensions. Such differences can be illustrated graphically. Thus, initial qualitative data provides insight while quantitative data provides structure (Wellington & Szczerbinski 2007). Finally, to gain some insight into activity independently from the respondents' biased views, the thesis also incorporates behavioural data recorded in a customer database.

The research process in this thesis has the following structure. First, a theoretical discussion is conducted to reveal new perspectives on service use. These new perspectives are concretised in concepts with new definitions. The concepts and their definitions are applied in interviews with respondents. The respondents are probed for information that corresponds with the conceptualisations. Their responses are used to create items in surveys that provide numeric data for comparison between groups, individual respondents and individual items. Thus, the process follows a mixed method structure in which one type of method generates initial data, which then serves as input for the design of the next stage of research where another type of method is used (Creswell & Plano Clark 2011).

Another core methodological consideration needs to be taken into account when analysing customer activity. This concerns the question of what constitutes a ‘unit’ of activity. Even though the unit was defined earlier in the thesis, the identity of a particular sequence of behaviour cannot be considered fixed. The same sequence of behaviour can be given many different names depending on the perspective from which it is being viewed. Clarke (1982) provides us with some ideas about isolating ‘incidents’, which are analogous to activities as presented in this thesis:

Incidents have a beginning and an end, at least in the sense that systems have boundaries. These may reflect the purpose of the study more than the nature of the phenomenon, may be imposed by the analyst and may change from one occasion to another. (p. 192)

This means that the intentions of the researcher may determine the ‘anatomy’ of what types or levels of activity are found more than the inherent qualities of the case being studied. This aspect has been considered in the methods of this thesis. Even though the customer should be the one who decides what activities should be included in a study, the initial delimitations of the research will guide the process of identifying customer activities. This can be seen in essays two and three, where the initial delimitations (‘gambling’ and ‘wine consumption’) determine how the activities discovered in the research process are framed.

### **3.4. Methods**

This section presents the methods of data collection and analysis used in each of the essays in the thesis.

#### **3.4.1. Essay 1**

Essay 1 focuses on the first two research questions of the thesis: ‘How can customer (or consumer) activity be conceptualised?’ and ‘How are customer activities linked together, and what is their scope?’ To address these questions, essay 1 adopts a predominantly theoretical approach.

One of the main emerging conceptual frameworks for analysing activity both in consumer and service research is *practice theory* (e.g. Korkman 2008, Warde 2005). Thus, the article focuses on exploring the concept of customer activity in the context of practice-theoretical research. The essay conceptualises activity by applying a framework from activity theory onto the concept of consumer activity. It goes on to analyse how the concept of activity has been used in practice-theoretical consumer research by conducting a meta-study. The articles for the study were selected according to three criteria. They had to 1) be grounded in practice theory, 2) contain an empirical

study and 3) focus on customers or consumers. The articles were identified through a database search using a library portal service that simultaneously searched nine different databases. The search keywords were ‘practice theory’ and ‘consumer practices’ as well as the terms ‘consumer’, ‘customer’ and ‘practice’ in different combinations. In addition, journals that could be expected to contain this type of study were manually searched. These journals were the *Journal of Consumer Research* and *Consumers Markets and Culture*. The search yielded 12 studies with the correct focus. These studies and their contexts are presented in Table 4.

**Table 4** Articles selected for the study

<b>Study</b>	<b>Context for practices</b>
Holt (1995)	Baseball game
Martens & Scott (2005)	Representations of cleaning in magazine
Korkman (2006)	Ferry trip
Schau, Muñiz & Arnould (2009)	Different online brand communities
Sandikci and Ger (2010)	Women’s use of veils in Turkey
Valtonen, Markuksela & Moisander (2010)	Troll-fishing tournaments
Gram-Hanssen (2011)	Residential energy consumption
Truninger (2011)	Cooking with a Bimby kitchen device
Rindell (2011)	Shopping at IKEA and Anttila
Magaudda (2011)	Digital music consumption
Rantala, Valtonen & Markuksela (2011)	Attending a tourist outdoor excursion in Lapland
Iqani (2013)	Visual consumption at magazine newsstands

Thus, the study was not a literature review as such (e.g. Torraco 2005) in which existing knowledge is summarised and synthesised. Rather, the study employed a type of meta-analysis in which a new analytical framework was applied to results presented in existing studies to generate new knowledge. The studies were analysed using the hierarchical activity framework from activity theory (Figure 1). Descriptions of consumer behaviour were noted and categorised as operating on the level of ‘activity’, ‘action’ or ‘operation’. Behavioural sequences that could not be said to form a subsidiary part of a more general type were categorised as activities. Sequences that formed parts of the activities and contributed to their completion were categorised as actions. Sequences that were described on a detailed level and dealt with the concrete interaction with aspects of the environment were categorised as operations.

### **3.4.2. Essay 2**

Essay 2 focuses chiefly on research questions two and three: ‘How are customer activities linked together, and what is their scope?’ and ‘What is the role of service

providers in interlinked systems of customer activity?’ Thus, essay 2 contains a theoretical discussion of the concept of activity in service research, which results in a general definition of the term ‘customer activity’ based on a customer-dominant understanding of service (Heinonen et al. 2010).

The consequences of the conceptual development are illustrated in an empirical study. The study was designed as a single-case exploratory study (Eisenhardt 1989, Flyvbjerg 2006). This approach was chosen because customer activity from a customer-dominant perspective has not been previously investigated. The context for the study is the services of an online gambling provider. Customers operating within the context of online gaming can engage in a rich array of services and activities. Thus, the context can be considered fertile for customer activity research. The purpose of the study is to explore the concept of customer activity in service and to operationalise it in a study that contrasts an interaction-focused view of customer activity with a customer-centric one.

The study was carried out within a collaborative project with an online gambling service provider. It was divided into two parts: 1) a qualitative study focused on item generation and 2) a quantitative study focused on finding relationships between items.

The first part of the study identified activities related to the use of an online gambling provider’s services. It consisted of twenty interviews with customers of an online gambling provider. The customers were selected to represent different customer types (high/low spending, male/female, type of game favoured). The open-ended phone interviews identified gambling-related activities the customers participated in regularly. As the aim was only to identify a set of activities, saturation was reached relatively quickly and the sample of twenty customers was sufficient (Guest et al. 2006). The activities were collapsed into a list of ten general activity categories using inductive categorisation (Spiggle 1994). The list of ten identified activities was then presented to a group of gambling industry professionals involved in the project, who suggested adding an eleventh activity (‘I read blogs or articles on the internet about monetary gaming’). The final set of items is displayed in Table 5.

**Table 5 Final research items**

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**Related Activity Items**

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1. I play online monetary games at another site than [focal provider].
  2. I play online monetary games at a third site.
  3. I read books about monetary gaming.
  4. I read magazines about monetary gaming.
  5. I read online discussion forums about monetary gaming.
  6. I read blogs or articles on the internet about monetary gaming.
  7. I talk to friends about monetary gaming.
  8. I play scratch cards or lottery.
  9. I play at casinos.
  10. I play slot machines (at some other place than a casino).
  11. I play live poker with friends.
-

The second part of the study used the identified items in a survey that was sent to a sample of 8000 of the case company's customers. Half of the customers were located in Finland and half were located in Sweden. The combined response rates (9.2%) as well as the age and gender distribution of the sample were all within an acceptable range; therefore, the sample could be considered representative. For each item, the respondents were asked to choose between nine responses: 'almost every day', 'several times a week', 'about once a week', 'several times a month', 'about once a month', 'several times a year', 'about once a year', 'more seldom' and 'never'. Next, the service provider combined the gathered responses with each respondent's service usage data from their customer database. This was done without revealing any personal data such as name or contact information. In the end, this led to 680 usable responses with corresponding data on the amount of money spent on individual game types at the provider's website. The raw monetary data was recoded into decile memberships as suggested by Malthouse and Wang (1998). For each type of game, each customer was assigned a spending decile membership to remove the problem of extreme outliers.

Finally, all activities were matched in pairs and analysed for Pearson's correlation to reveal which activities were likely to appear together in the customers' systems of activity.

### **3.4.3. Essay 3**

The final essay focuses on research questions three and four: 'What is the role of service providers in interlinked systems of customer activity?' and 'How can the emergence of customer value be understood in the context of systems of customer activity?'

The essay presents a theoretical discussion of how to understand value in systems of customer activity. Based on this discussion, a method is suggested that operationalises the measurement of customer value from a customer activity point of view. The method is based on four assumptions regarding customer value.

1. Customer value can be understood in terms of benefits and sacrifices.
2. These benefits and sacrifices are experiential.
3. Customers' activities are undertaken to achieve experiences of value. Thus, value is framed by customer activities instead of service. Service is only an enabling factor in customer activity.
4. The value of individual activities must be understood in the wider context of a system of interlinked activities. The customer's full experience of value emerges dynamically within this system.

The method shows the balance of perceived value in a particular part of the customer's life. The method uses qualitative and quantitative approaches to reveal the customers' experiences of value. Similar to essay 2, an open interview is used to identify relevant activities within a particular area of the respondent's life. The respondent is asked to think of all the activities he or she performs that are relevant to some goal or theme chosen by the researcher. For each identified activity, the respondent is presented with a questionnaire that aims to identify A) the benefits and sacrifices the respondent associates with the activity and B) the length and intensity of the relationship the respondent has with the activity.

The differences in the activities are measured by quantifying relevant value dimensions. Benefits are measured in terms of the perceived hedonic and instrumental properties of the activity ('fun' and 'importance'). Sacrifices are measured in the perceived amount of time, effort and money the activity requires. The relationship's intensity and length is measured in terms of the amount of time since the activity was first completed and the approximate frequency of it since then.

The results of the measurements are then displayed in a graph called an 'activityscape'. This graph illustrates the findings through its proportions. Each activity is illustrated as a node in a centralised network, and the hub represents the customer. The distance of the nodes symbolises perceived sacrifices, while the hue and size of the node represent hedonic and instrumental benefits.

The method is illustrated by introducing and analysing the activityscapes of two wine consumers. Because value is said to be 'uniquely determined by the beneficiary' (Vargo & Lusch 2008), all activityscapes can be expected to be unique in some aspect. Therefore, two cases showing clear differences between the respondents should be enough to demonstrate that the method can provide results and insight into the lives of the customers. The essay argues that this insight is different to the results produced by purely qualitative methods.

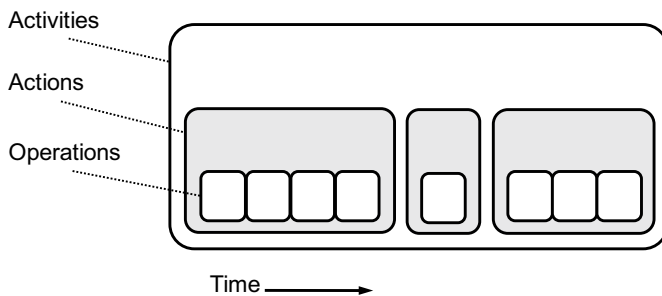
## 4 SUMMARY AND CONTRIBUTION OF EACH ESSAY

The following section summarises each of the essays discussed in the thesis and discusses their main contribution and role in the thesis.

### 4.1. Essay 1: Activity in Consumer Practices

The concept of customer activity is inherent in much of marketing research. Despite this, the concept itself has not been adequately conceptualised. Usually, the customer's activities have been seen either as responses to input from providers (Jacoby 2002), choice behaviour (e.g. Foxall 1992, Bettman, Luce & Payne 1998) or activity chains or cycles (e.g. Vandermerwe 1993, Seybold 2001). However, in these literature streams the concept of activity is left unaddressed and simply thought of as any type of behaviour. More recently, *practice theory* has emerged as a new framework for understanding consumer and customer activity (Warde 2005). However, the essay argues that even though practice theory is built around the idea of practices as units of activity, practice-theoretical consumer research does not offer any framework for understanding and defining the concept of activity. Rather, practice theory is focused on the concept of the social practice, which consists of underlying, socially shared understandings manifested in activity. Thus, realised activity is of secondary interest to practice theory.

Consequently, the essay provides a conceptualisation of consumer activity and describes the unit of 'activity' as a motive-driven, discrete sequence of behaviour that is given its boundaries by human understandings. The essay uses a framework from activity theory to clarify how activity can be understood at three different levels: activities, actions and operations (Figure 4).



**Figure 4** Activities, actions and operations (Leont'ev 1978, visualised as in Holmlund 2004).

Activities, actions and operations are units of behaviour understood at different levels of detail. Activities are unbroken sequences of behaviour driven by motives. Activities can be divided into separate actions with concrete goals that will satisfy the motives. The completion of an action consists of a series of operations. The form of the operations is dependent on the material and contextual conditions of the situation where they are carried out.

This is a general characterisation of activity that is applicable over many contexts and not just practice-theoretical research. It helps researchers understand at which level of detail they are investigating a behavioural phenomenon. Moreover, the unitisation of



activity is a prerequisite for a systemic understanding. If we do not characterise activities units that operate on a known level of abstraction, we cannot reliably identify separate activities; consequently, we cannot analyse them in terms of systems. Thus, the conceptual discussion of the activity unit in this essay serves as the foundation for the rest of the thesis.

The essay also discusses the role of activity in practice-theoretical research. A wider conclusion that can be drawn from the discussion is that a practice-theoretical approach is not necessary in order to analyse customer (or consumer) activities. Rather, practice theory only sees activity as the outcome of performed social practice. Structures of activity in themselves are not very interesting from a practice-theoretical point of view. Instead, practice theory focuses on the underlying social understandings that lead to similar behaviour in many individuals. Thus, essay 1 legitimises a choice made in the thesis to strive for a systemic view of customer activity. Practice-theoretical understandings of behaviour are not necessary for such a view.

In this essay the terms ‘customer’ and ‘consumer’ are used interchangeably. The reason for this is that practice theory has mainly focused on social-level analysis, which does not emphasize the customer role (e.g. Warde 2005, Holttinen 2013). Thus, there is very little research which is exclusively focused on customer practices. Furthermore, it is possible to view all consumers as customers. The performance of consumption practices often involves the use of the products and services of providers.

The essay makes two contributions to practice-theoretical consumer research. First, by unitising activity, the relationship between activities can be identified more clearly. By means of this conceptualization, the essay investigates at which level empirical practice-theoretical studies have investigated consumer behaviour. The essay clarifies the relationship between the concepts of ‘practice’ and ‘activity’ and finds different approaches to analysing human behaviour in practice-theoretical studies. It finds that by unitising ‘activity’, the links between activities can be discovered and analysed. The essay finds that activities in practices can be connected in three ways: 1) chronologically, 2) contextually and 3) practice-thematically. This type of understanding is new to practice-theoretical consumer research and helps in understanding the difference between dispersed and integrated practices (Schatzki 1996).

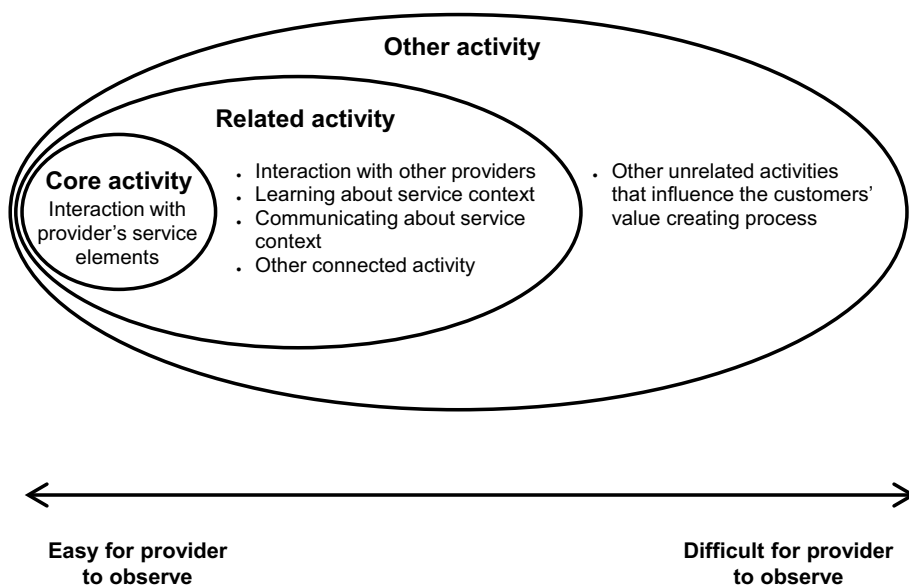
#### **4.2. Essay 2: Customer Activity in Service**

The essay clarifies the role of the concept of ‘activity’ in service research. The first contribution is to show the relationship between customer activity and service. The essay provides a detailed conceptualisation of the three types of customer activity suggested by Heinonen et al. (2010): core activity, related activity and other activity. These three types of customer activity are all activities the customer considers relevant but are understood in relation to a particular service provider’s services.

Figure 5 shows the three levels of activity as concentric circles. ‘Core activity’ represents what the service provider would understand as a core of service use. These activities can be thought of in terms of a customer’s direct interactions with a provider’s service elements. ‘Related activity’ refers to customer activities that belong to the same value-creating process as the core activities. These can be thought of in terms of complementary or supporting activities. ‘Other activity’ refers to other activities that are not directly involved in the customer’s value-creating process but still have an effect

on its shape. They might, for example, have consequences for the timing of core activities or the attitudes the customer has towards the core activities.

The concentric nature of the circles in Figure 5 shows that, from the customer's point of view, core activities are a part of related activities, which are part of other activities. If the focus were shifted to another type of service, the current core activities would become related activities, other activities or they would be disregarded altogether.



**Figure 5 The levels of customer activity**

In line with the findings in essay 1, essay 2 defines customer activity as a discrete sequence of behaviour that through its outcomes aims at creating or supporting some type of value in the customer's life or business. This definition and the framework in Figure 5 are applied in an empirical study that identifies core and related activities in the context of online gambling. The study focused on the customers of an online gambling firm. The customers' use of the firm's services (i.e. different types of games) was characterised as a core activity, while activities that could be understood as related to gambling in general were characterised as related activities. The study measured how frequently the activities were carried out by the customers.

The study showed that, based on their activity patterns, customers could be grouped into categories. These groups showed different types of activity structure and revealed different contexts for the use of service. For example, the study showed that customers who preferred skill-based games were involved in more activities beyond the provider's services than customers who favoured luck-based games.

Thus, the essay operationalises the idea of how service interaction is only one type of activity among many others for the customer. It shows that this approach works in practice and that it can produce unique, interesting and useful information for service researchers.

### 4.3. Essay 3: Activityscope Mapping: Consumer Activity Systems as Service Context

The essay discusses how customer value can be illustrated in the context of systems of the customer's interrelated activities. Activities support each other with different roles in the activity system to which they belong.

The essay's contribution to service marketing is twofold. First, it conceptualises the frame of customer value in a new way. Prior understandings of value connect it to the use of a particular product or service (e.g. Woodruff 1997, Vargo & Lusch 2004, 2008) or as a purely experiential phenomenon (e.g. Sandström et al. 2008, Helkkula & Kelleher 2010). This essay departs from these understandings by seeing customer value as emerging in *customer activities*. From this point of view, the customer engages in different activities in order to have experiences of value. Thus, the service is only an enabling factor in activity, and the experience is the outcome. By framing value in such a way, researchers can gain an understanding of how customers try to create experiences of value within their own lives. Furthermore, in line with the suggestions of Ravald (2008) and Boyd and Levy (1963), activities are not autonomous but rather form interdependent systems. The full experience of value emerges within these systems. In fact, the essay argues that the value of single activities can only be understood fully in the context of the value of the other activities. Thus, the essay presents a deeper and more complex view of customer value than what is usually presented.

The second contribution of the essay is that it presents an operationalisation of the previous understanding of customer value. The essay introduces a new technique called 'Activityscope Mapping' to illustrate the customer's understanding of value within their activity systems. Customer value is characterised as multifaceted and experiential and is thus measured through a survey in which customers evaluate the value and frequency of separate activities. By showing the customer's perceptions of the value achieved through the activities in the system, the roles and relative importance of the activities can be assessed.

In sum, the essay presents customer value as not being tied to service providers' offerings but to customers' systems of activities. By providing an operationalisation of this view, the essay introduces a tool that allows researchers to gain insight into the value that emerges within customers' systems of activities.

## 5 CONTRIBUTION

This chapter summarises the contribution of the thesis to theory and to methodology.

### 5.1. Discussion

The purpose of the thesis is to create insight into customers' service use by applying a customer activity perspective on service. Customer activity is characterized as all the activities customers carry out as part of managing their own lives or businesses. From this perspective, service use is only one activity among others. The customer is in control of shaping their choice of activity and only uses service as a resource to enable an activity.

The main consequence of this view is that service is understood in a new way. From a customer activity perspective, service must be an ingredient in the customer's life and is only one of many facilitating factors. Customers go about their business by upholding networks of customer activity in which they occasionally interact with other actors to achieve what they want to do. However, interaction is secondary from this point of view and is demoted to being only a part of activity. Customers do not think in terms of interacting with service providers; they think in terms of doing things that they want (or need) to do. This is the consequence of a purely customer-centric understanding: service providers and the acts of service lose their centrality in the analysis. Instead, they become musicians in the orchestra that plays the music of the customer's life and is conducted by the customer himself.

Thus, for example, the customer's service delivery network (SDN) (Tax, McCutcheon & Wilkinson 2013) is not determined by the customer's journey but by the customer's system of activities. This provides a wider frame for determining the SDN. It is rooted in the customer's life (reflecting C-D logic) instead of the delivery of the service or the customer journey (reflecting S-D logic).

Another consequence of the findings presented in this thesis is that customer activity can now be analysed in terms of systems, which can be illustrated as different types of activity networks. Even though earlier research has investigated the relationship between service and customer activity (e.g. Tax, McCutcheon & Wilkinson 2013, McColl-Kennedy et al. 2012), no one has explored customer activity from a systemic perspective. A network view on activity opens up new opportunities for researchers to understand what customers do. The use of service is often understood in terms of detailed descriptions of behaviours and meanings in use and consumption. The findings presented in this thesis allow us to raise the analysis to a higher level of abstraction and look at how separate activities relate to each other rather than investigate what happens within the activities. The activity-theoretical framework presented in essay one allows researchers to understand the level of detail they are working on in their analysis.

In line with Normann (2001), this thesis presents customer activity as the origin of value. From the activity-centric point of view presented in this thesis, customers strive for experiences and understandings of value through their activities. This means the origin of customer value lays in customer activity. Service is used within the context of activity and must only be a supporting factor in the customer's quest for the experience of value.

The thesis employs a broader definition of value than is usually seen and does not restrict value to experiences (e.g. Holbrook 2006) or feelings of being better off (Grönroos 2008) but rather sees value as the customer's understanding that the current state of affairs within a particular life domain is satisfactory. The customer then attributes the responsibility for this state of affairs to either himself or to some other actor or set of circumstances the customer perceives as the cause. The customer's understandings can be either fuzzy or clearly formulated and serve as the basis for the customer's continued activity.

Thus, service providers should see themselves as enabling desired activity within the context of other related activities as well as the customer's experiences and understandings of what is valuable.

## **5.2. Contribution to theory**

The main contribution of the thesis lies in presenting customer activity as a perspective on service use. By viewing service and service use through the lens of the customer, the thesis opens up new approaches to analysing and understanding the role of service for customers. The thesis achieves this in three concrete ways: by conceptualising the concept of activity, by introducing the idea of networks of activity and by showing how the role of service can be understood within such networks. The next section will discuss these three areas.

### **5.2.1. Customer activity**

The chief contribution of this thesis is that it examines customer activity from a customer-dominant point of view. A customer-dominant understanding of customer activity posits it as something upheld and controlled by the customer (Heinonen et al. 2010). Thus, the customer uses service as an ingredient within activities. Even events in which the customer seems passive or that may seem completely controlled by the provider are from a customer-dominant activity perspective activities that are undertaken by the customer. As an example, the events within a restaurant visit may seem quite provider-controlled, but from the customer's point of view, the customer has actively visited the restaurant. If someone asks the customer, 'What did you do yesterday?', the customer will answer, 'I went to dinner with my wife'. Thus, from this perspective, the customer is always the active party. Only in cases where the customer is unconscious or otherwise unaware of what is going on is he or she passive. Thus, receiving a call from a salesperson is an activity. Being examined by a doctor is also an activity. In both cases, they form behavioural events with a beginning and an end in which the customer is guided by motives concretised in goals. However, these goals do not have to be in harmony with the provider's goals. The actions of the customer when receiving a sales call may be driven by the goals of communicating disinterest to the salesperson and ending the call as quickly as possible.

By choosing customer activity as the focus for analysis, the thesis builds upon Raval'd's (2008) findings and the propositions of C-D logic (Heinonen et al. 2010). The most important part is the conceptual discussion of activity, what it is and how it can be analysed. Previous studies have taken the concept of activity for granted, but its meaning has not been clear. The conceptualisation of activity presented in the thesis lays the groundwork for a new, systemic way of studying activity.

Table 2 shows customer activity in relation to other existing approaches. The table indicates the focal actors in the approach, the context within which the behaviour is understood and whether the approach has provided a conceptualisation of activity. The concepts in the table are drawn from the review of customer activity in service presented in chapter 2.2.

**Table 6 Customer activity versus other approaches**

<b>Concept</b>	<b>Focal actor(s)</b>	<b>Behaviour understood in context of...</b>	<b>Activity clearly conceptualised</b>	<b>Notable examples</b>
Dyadic interaction	Buyer and seller	Dyadic relationship	No	Holmlund 2004
Value co-creation	Two actors in network	Dyadic service	No	Vargo, Maglio and Akaka 2008
Customer engagement behaviour (CEB)	Customer	Dyadic relationship	No	Van Doorn et al. 2010
Network interaction	Actors in network	Network	No	Håkansson & Snehota 1995
Customer network identity goals	Customer	Network	No	Epp & Price 2011
Service delivery network (SDN)	Customer/ Service providers	Network	No	Tax, McCutcheon & Wilkinson 2013
Resource integration	Customer	Combination of resources	No	Vargo and Lusch 2008
Customer practices	Customer	Life	No	Korkman 2008
Customer activity	Customer	Life/Business	Yes	<u>This thesis</u>

This thesis differs from (or builds upon) previous approaches in two important ways. First, it takes a customer-centric stance while retaining the economic connection to a service provider. Service is only one of the elements in the customer's life or business and is understood through its role in the customer's context. Thus, customer activity, as presented in this thesis, differs from the other approaches presented in table 6 by explicitly focusing on customer activity from the customer's point of view. Second, it

provides a conceptualisation of customer activity. This type of conceptualisation, in which activities are discrete units, is missing from traditional research, where activity is completely unproblematised, and from practice-theoretical research, where the focus is on the practice and not on activity.

In this thesis, customer activity is conceptualised as a discrete unit of behaviour with an identifiable beginning and end that is initiated or maintained to create or uphold some type of value for the customer. The boundaries (i.e. beginning and end) of activities are given by human understandings. If 'activity' as characterised here is selected as the analytical lens for service, the role of the service provider is to enable and support activities customers find valuable.

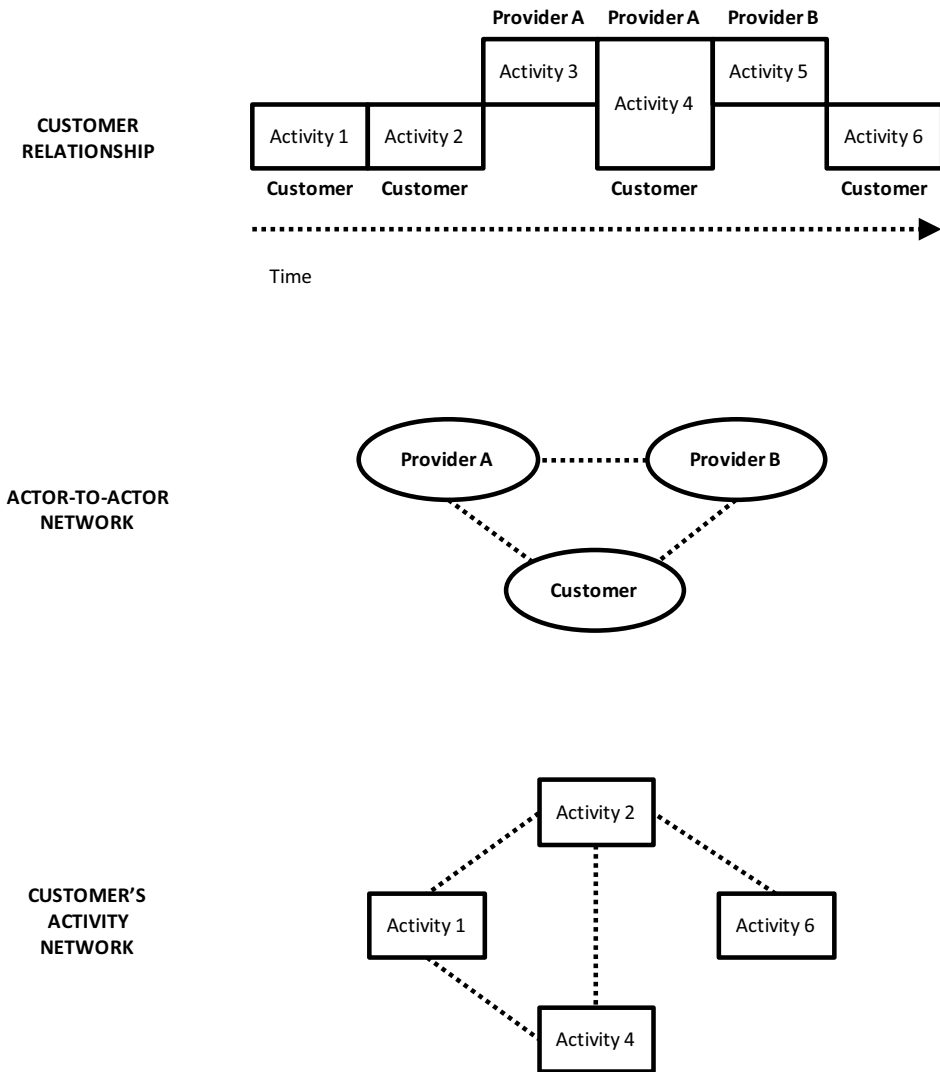
### **5.2.2. Systems of customer activity**

The second contribution is the idea of analysing activity in terms of systems that can be presented as networks. This way of illustrating customer activity would not have been possible without the conceptualisation of activity presented in this thesis. Only a clear definition of the unit of activity allows the connection of different activity units to each other. By understanding activity as networks, researchers can gain new insights into the emergence of value for customers as well as how they use services.

A systemic view of consumption was suggested by Boyd and Levy (1963), who argue that to understand product use, the whole system of use the product is part of should be understood. They stated, *'the use behavior for a particular product is bound to be affected not only by ... the task to be performed with the use of that product but also by the related products and their use behaviors that make up the total consumption system'* (Boyd & Levy 1963, p. 130).

What Boyd and Levy do not address, however, is how systems of consumption should be understood. Similarly, Ravald (2008) continues upon this line of thought and sees experiences of value as emerging in systems of customer activity. However, Ravald does not provide any concrete suggestions for how to systematically analyse customer activity. By conceptualising activities as discrete units of behaviour, the current thesis is able to provide suggestions for how to analyse systems of customer activity and illustrate them as networks.

Network illustrations of activity can be a logical continuation on relationship marketing and actor-to-actor network thinking (Grönroos 1994, Parvatiyar & Sheth 2000, Gummesson 2004, Vargo & Lusch 2011). The thesis takes the basic idea of these two approaches, but instead of viewing reality through a relationship or actor network perspective, reality is seen in terms of networks of customer activity. Figure 6 illustrates these three perspectives.



**Figure 6 The relationship, actor and activity perspective**

If we assume a customer relationship perspective, activity will be seen in terms of what happens between two or more parties over a timeline (Holmlund 2004, Payne, Storbacka, Frow & Knox 2009). If we assume an actor-to-actor network perspective, actors form a semi-stable constellation with different links between them, e.g. activity or resource links (Håkansson & Snehota 1995, Vargo & Lusch 2011). The third perspective, presented by this thesis, is the activity network perspective, in which the customer's activities form semi-stable networks and recurring activities are linked in different ways.



Suggestions for links between activities presented in this thesis were frequency links, functional links, resource links, temporal links, cognitive links and geographical links. These links are briefly discussed below.

Frequency links. Activities can be linked by how frequently they occur. Essay 2 presented this type of view and showed activities that occur frequently as linked to each other.

Functional links. Ravald (2008) suggested that instrumental activities support congenial ones. Thus, one can envision an entire system of activities in which the outcomes of some activities are used as input in others. Activities can be classified according to their function in the system. Essay 3 indicated this type of link by showing that the role of activities with low benefits could be understood through their role as utilitarian enablers for other activities.

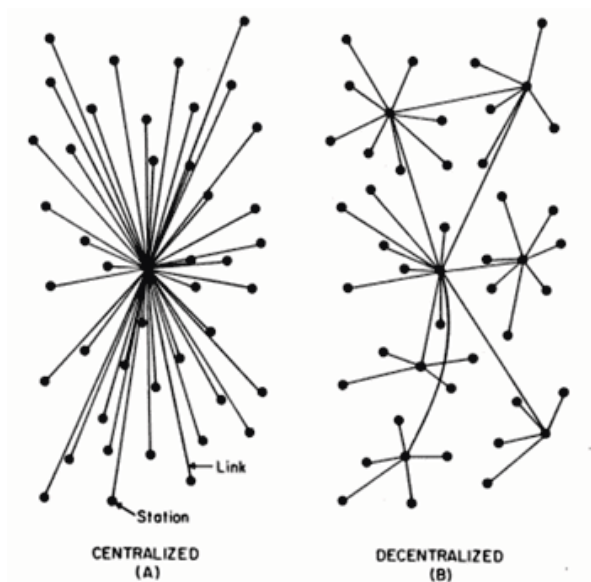
Resource links. A similar perspective on links may also be considered in terms of resources. How are resources acquired in some activities used in others? Essay 3 also indicated that this type of link could be found in customer activity systems.

Temporal links. Time may be a factor that ties activities together. Time can form a sequence of activities, or activities may be connected by occurring at the same time on different days.

Cognitive links. Activities may be linked through different types of associations or understandings in the customer's mind. What these cognitive links consist of is open to discussion.

Geographical links. Activities may be linked by where they occur. Thus, activities can be mapped according to the geographical proximity they have in the customer's life. Activities are becoming increasingly separated from location due to advances in technology, but many activities are still tied to specific locations.

Furthermore, the thesis presents two types of activity networks that correspond with Baran's (1964) two network types: centralised networks and decentralised networks (Figure 7). In the first type, all nodes in the network are connected through a central node. This type of network was presented in essay three, and the customer was the central connecting node for a set of activities. In this visualisation of customer activity, the connections between customer and activities were paths the customer activated to gain access to the activities.



**Figure 7 Baran's (1964) network types**

The second type, the decentralised network, was used in essay 2 to show the connections between activities. Here, the connections denote the relationships between the activities themselves and not the relationships between the *customer* and the activities. Thus, in a decentralised network, the systemic nature of activity can be illustrated more clearly than in a centralised one.

### **5.2.3. Customer activity as the context for service use**

The third contribution concerns the role of service providers in customer activity. In the wake of the S-D logic debates, customer activity has usually been framed either in terms of service experience or customer journey (e.g. Tax, McCutcheon & Wilkinson 2013), the emergence or co-creation of the service itself (e.g. McColl-Kennedy et al. 2012) or the context of a dyadic customer relationship (e.g. Brodie et al. 2011). All these approaches are the consequence of the paradigmatic assumptions of service research, which have interactions, service and relationships at its core. Consequently, customer activity is usually framed within the context of service use in service research.

From a customer-dominant and customer activity-centric point of view, however, service use must be framed within the context of customer activity. In fact, service use must be a consequence of customer activity. Only because customers want to engage in certain activities do they interact with providers who possess the means of making the activities possible.

Furthermore, understanding customer activity as systems, in which service is only used in some activities, provides an extended view of the role of service in the customer's life. The service is a part of the functional balance in the system; what happens in one activity has implications for what needs to happen in another one. Thus, service interactions cannot be viewed in isolation from the customer's other related activities. This thesis also suggests how value could be understood within the customer's system

of activity. Each activity contains its own set of benefits and sacrifices that contributes to the overall value experience in the customer's activity system. The value of service interactions is only relative to the value of the other customer activities in the system.

Thus, the thesis also contributes to value literature, in which value is usually seen in relation only to a particular event or experience (Gummerus 2013, Helkkula & Kelleher, 2010, Helkkula, Kelleher & Pihlström 2012). Conversely, the experience of value is seen here as something that emerges in the interplay between different activities that contribute in various ways to what the customer wants to achieve. A customer-dominant view requires the full value experience to be understood on the level of the customer's life and not on the level of a series of encounters or experiences.

### **5.3. Contribution to methodology**

The thesis contributes in several ways to methodology. It pioneers the combination of survey data with customer database data in service research (essay 2). It also introduces a completely new method for visualising customer value: activityscape mapping.

#### **5.3.1. Activityscape mapping**

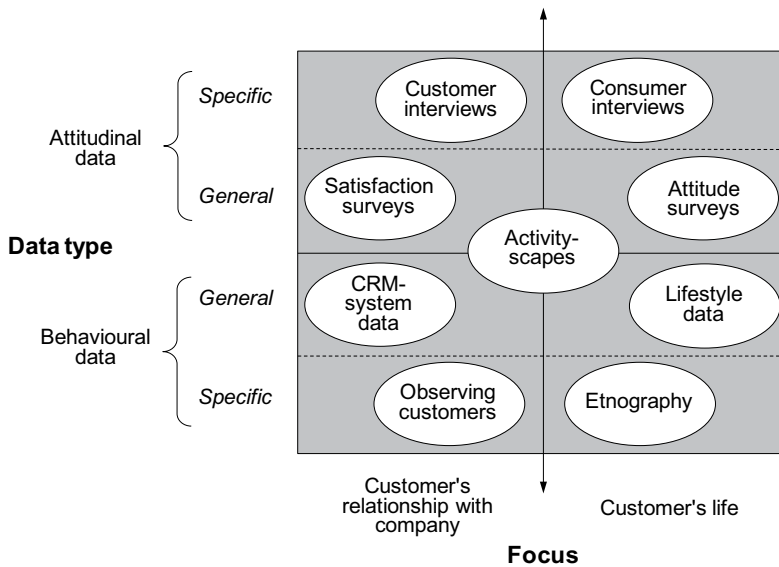
The activityscape provides a new approach to illustrating customer value. It operationalises customer value in line with C-D logic's view of value as holistically emerging within the customer's life or business (Heinonen et al. 2010, Heinonen, Voima & Strandvik 2013). It presents value as emerging in a system of activities. Thus, value is not connected to an offering but to the activities in the system. The individual benefits and sacrifices of the activities are experientially and uniquely interpreted by the customer. However, because value emerges in a system, the individual benefits and sacrifices of an activity only become meaningful when related to the whole system.

Understanding what brings value to the customer has been investigated in many ways in marketing research. Usually, customers' valuations are inferred from behavioural data (what they do) or attitudinal data (what they say). This is true for the information gathered for business practice and for consumer or service research.

The methods used within business practice often consist of various types of satisfaction surveys. Companies that have customer relationship management (CRM) systems may also use data on customer purchases or activity to understand what their customers value. The first method is confirmatory and lets the company know whether their customers think they are doing a good job or not. It may sometimes also provide feedback on what customers see as good or bad points in a service. Data collected from CRM systems show how the customers are using the company's services but contain no *explanations* of behaviour. To understand why customers behave the way they do, the company needs to conduct interviews. An additional source of data is direct observation of how customers are using the service or product the company provides. This can be everything from observing how customers move and interact at a particular service point (such as a cafeteria) to letting customers show the business how they use an online service.

As indicated earlier, data that only highlights the interactions between customer and company may give too narrow a view of what the customer actually does. Different

types of consumer studies have traditionally provided a broader view and focused on the customer's life. The methodology used in academic consumer studies has mostly focused on gathering attitudinal data. The typical consumer study asks the respondents to complete a questionnaire, and the researcher tries to infer some general categories and mechanisms for how value is experienced from the responses. Interviews provide data that is more detailed on experiences of value. Along with ethnographic approaches, different types of interviews serve as the main data collection method within studies in consumer culture theory (e.g. Belk & Sherry 2007). Just as companies can learn a lot by simply observing their customers, so can academic researchers. Practice-theoretical approaches (Korkman 2006, Holttinen 2013) use direct observation of behaviour as an indicator of everyday value-formation.



**Figure 8** Focus and type of data produced by different methods

Figure 8 shows how activityscape mapping relates to other methods for understanding value for the customer. Most methods collect either attitudinal or behavioural data (although some methods combine the two types) and are focused either on the customer's relationship with a particular company or on the customer's life in general. The vertical axis shows the type of data is collected and the quality of the data increases from general in the middle to specific at the ends. For example, the data gathered from a CRM-system database is on a much more abstract and general level than the information gained from directly observing how a customer uses a particular service. Similarly, on the attitudinal level, interviews capture much more detail than standardised questionnaires. The activityscape is placed in the middle of the figure because it provides behavioural and attitudinal data, which is on a general level and is related to the customer's life and his or her relationship to a particular company. By letting the customer himself or herself determine the activities involved in a certain context, we are provided with a general overview of long-term value-formation.

In line with the C-D logic philosophy, activityscape mapping presents customer value from a holistic perspective relating value to the customer's life or business rather than within the confines of an individual service encounter or experience (c.f. Heinonen,

Voima & Strandvik 2013). Activityscape mapping also presents the value of service as relative to (or even dependent on) the other activities in the customer's focal system of activities. Furthermore, the approach illustrates the customer's perceived benefits and sacrifices separately, which is in line with research suggesting that value outcomes are not a simple trade-off between the two concepts (Graaf & Maas 2008, Heinonen & Strandvik 2009).

The activityscape, being a visual approach, is compatible with visual aids such as PowerPoint. When presenting an activityscape, the presenter can make the activities in the activityscape appear one-by-one according to the order they were mentioned in the interviews, for example. In addition, the thickness of lines and the hues of circles can be added sequentially to the picture to allow the viewer time to understand the dimensions of the presented system better.

#### **5.4. Managerial implications**

From a practical point of view, customer activity plays a central role in understanding how customers use service. However, in their day-to-day work, businesses usually have restricted insight into the activity of their customers. Typically, information about customer activity is collected in a customer database as points of purchase. By extension, this can lead to a purchase-centric view of the customer. Customers are then only objects to be influenced, coerced and even manipulated into buying. From a purchase-centric point of view, buying is the only customer activity of interest. In research, underlying attitudes such as this can be found in traditional consumer research, which has put considerable effort into understanding the mental processes leading to purchase decisions. Service research has also traditionally seen customers as entering a service process and being influenced by what happens within it. The customer's evaluation of the process and outcomes will affect whether the customer chooses to patronise the same service provider again.

This leads to a type of marketing myopia (Levitt 1960). An excessive focus on the point of purchase makes one think that the act of buying is the only thing of consequence customers do. This is somewhat understandable as the point of purchase is of crucial importance to providing companies. This is where businesses generate income that contributes to the bottom line.

However, seeing the customer as a buyer reflects a goods-dominant logic (Vargo and Lusch 2004, 2008). If the organisation produces valuable goods or services that the customer must be influenced into buying, any further customer activity is of little or no consequence. The only important thing is the inherent quality of the goods and services as well as the processes leading to quality. However, researchers have long stressed the importance of the *marketing concept* (Houston 1986), i.e. satisfying customers at a profit. A core part of this is the idea that if customers are not sufficiently satisfied, there can be no further business. This is intimately connected to the notion of *value-in-use*. If customers cannot derive any value when the purchased offering is used, it is highly unlikely that there will be any value-in-exchange<sup>2</sup> (Grönroos & Ravald 2010).

This, then, provides a different perspective on the activities of the customer; they are integral for understanding value-in-use. Normann (2001) posits that customers are not passive receivers of value but active creators. Value arises in the activities of the

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<sup>2</sup> Except in cases where providers intentionally mislead customers.

customer. By enabling the customer's activities, providers can have a share of the value that emerges within them. This should make an understanding of customer activity a concern of great interest for providers. What does the customer do, and how can we be involved in it at a profit? Managers can use the customer activity perspective in business in four different ways.

(1) First, customer activity can be used for segmentation purposes. The thesis shows how customers can be grouped according to their activity profiles. Usually, service providers understand customer activity using information in a customer database. The thesis shows that customers are categorised differently if customer activities other than service interactions are incorporated into the analysis. Segmentation based on a wider understanding of customer activity can reveal how the same service has different roles for different customer groups.

This type of segmentation requires the provider to take an interest in related customer activity and investigate it in qualitative and quantitative terms. Activities need to be identified and then investigated over the entire customer base. For example, it is possible for a company to make activity mapping part of their ongoing CRM program. One suggestion could be that customers are presented with a short survey that covers a set of basic customer activities when they log into an online service. This data could be combined with customer database data to construct an in-depth understanding of the customer's life and how to support it.

(2) Insights into customer activity can be used to support the customer. By gaining insight into customer's systems of activity, service providers can understand how their service relates to the customer's related activities. Thus, the provider can gain insights into how to support the customer's other activities through the service. For example, customers who maintain many information-seeking activities as a part of the system of activities can be provided with the opportunity to learn more from the service provider.

It might also be of interest to the provider if the customer maintains a rich system of activity beyond service use. In many cases, more involved customers spend more money. By knowing what activities customers could potentially be performing, the provider could support the introduction of new activities into the customers' lives.

(3) Harmonising communication with customer activity. Service providers often make assumptions about what their customers do and communicate in line with these assumptions. By gaining insight into the activity systems of different customer groups, the provider can understand how to harmonise their communication with the interests of the customer. Thus, the provider reduces the risk of communicating about topics a certain customer group is not interested in. Conversely, the provider can incorporate other relevant other customer activities into their market communication.

(4) Basing service development on insight into customer activity. A customer activity-based approach introduces new possibilities for innovation and service development. By uncovering customers' systems of activity, service providers can gain an understanding of how to expand or change their service offering so it supports or improves the customer's systems of activity in new ways. Providers also have the option to invent new services that can support existing or previously undiscovered systems of activity. Going one step further, an even more challenging possibility exists: creating completely new systems of customer activity. This is in line with Storbacka's and Nenonens idea of 'market scripting' (2011), i.e. not accepting markets as given but actively creating new ones. By envisioning how customers could combine different

activities, the service provider could introduce services to enable completely new systems of customer activity.

### **5.5. Limitations**

This thesis is limited by focusing mainly on activity and only discussing the outcomes and background of activity on a very abstract level. The outcomes and backgrounds to activity are necessary in order to understand how activity is to be defined but are covered much more in-depth within other research streams such as research on motives, experiences, value and practices. Thus, customer activity as a perspective on service use provides a limited perspective on reality and leaves out many things that other perspectives would include.

For example, a conscious choice was made not to focus on experiential or symbolic aspects of activity. These would have taken the thesis closer to the realm of consumer culture theory (Belk & Sherry 2007). Instead, the thesis focuses on the concept of activity from a much more behavioural point of view. Due to this delimitation, focus was kept on the task of defining the concept and investigating activity from a systemic point of view.

### **5.6. Suggestions for further research**

The conceptualisations presented in this thesis open up many new opportunities for research. This section will discuss further research that should be conducted on customer activity.

The first suggestion concerns the connecting principle of activity systems. This thesis provides an initial categorisation of the nexus or focus of activity. Much more research on this topic remains to be done, however. It is likely that many different ways of delimiting systems of activity can be discovered. For example, what are the deeper consequences of taking the provider's perspective on delimiting customer activity systems? Might it, from a service development point of view, even be desirable at times to provide narrower delimitations of customer activity than the customers would make themselves?

Another important avenue for further research is links between activities. The thesis suggests how customer activities might be linked together. Further research should investigate connections between activities more deeply and conduct conceptual and empirical work on this topic. The suggested links between activities were frequency, function, the involved resources, time, cognitive links and location. All these links between activities provide fertile ground for further research. For example, an interesting discussion could take place about the relationship between activities with fixed location and activities that are not location-bound.

Another interesting research opportunity is the relationship between activity systems and customer value. The thesis provides some initial ideas for the consequences of an understanding of customer value based on customer activity. This warrants even more research. The most basic question, which was only touched upon in the essays, is how customers employ systems of activity to uphold value for themselves. How are the different components of the customer's system of activity involved in producing the customer's understandings of value?

Another avenue for further research is the development of systems of activity. Customer activity systems are dynamic and are likely to change over time. How do they change? What is the progression from simple systems to more complex systems of activity, and what drives this development? What processes lead customers to abandon previous systems of activity?



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**APPENDIX 1 LIST OF ESSAYS INCLUDED IN THESIS**

**Essay 1:**

Mickelsson, J. Activity in Consumer Practices.

**Essay 2:**

Mickelsson, J. (2013). Customer Activity in service. *Journal of Service Management*, vol. 24, no. 5, pp. 534 - 552.

**Essay 3:**

Mickelsson, J. Activityscape Mapping: Systems of Customer Activity as Service Context.





PART 2



ACTIVITY IN CONSUMER PRACTICES

JACOB MICKELSSON

**ESSAY 1**

**Abstract**

This paper provides a new perspective on consumer practices by investigating and defining the concept of “consumer activity.” Researchers have presented activity as the expression of practice, but the scope or detail of the concept of activity has not been defined in this context. The paper applies a hierarchical framework of activity from Cultural Activity Theory to twelve empirical practice-theoretical consumer studies, identifying on which level of detail the studies analyze activity. The results show that activity is analyzed on different levels of detail, depending on the focus of the study. Conceptualizing an “activity” as a discrete unit of behavior, the paper identifies three ways in which practices tie activities together: 1) by belonging to a single, continuous event, 2) by belonging to a single context that stretches across events, or 3) by belonging to several contexts that incorporate many events, but which are unified by an underlying theme or purpose.

*Keywords:* consumer practices; practice theory; activity theory; consumer activity

## 1 INTRODUCTION

Practice Theory is becoming increasingly popular in marketing as a framework for analyzing various facets of consumer or customer behavior (e.g., Holt 1995; Allen 2002; Warde 2005; Schau et al. 2009; Holttinen 2010; Denegri-Knott and Molesworth 2010; Korkman, Storbacka and Harald 2010). Practices are described as units of routinized, meaning-laden behavior, which people engage in throughout their daily lives. They are seen as socially created and maintained and reproduced, as well as modified, by individuals in social contexts (Bourdieu 1977; Schatzki 2001). In marketing and consumer research, Practice Theory has been used to investigate practices within events, such as a baseball game (Holt 1995), or more general contexts such as music consumption (Magaudda 2011) or cooking (Holttinen 2010).

Practice Theory emerged as a counter-reaction to the dichotomy between individualistic and sociological understandings of human action and motivation (Warde, 2005). Born within the context of anthropological studies, Practice Theory has emerged as a stream of research that contains inherent qualitative underpinnings (Giard, 1998). Current approaches to illustrating and analyzing consumer practices are mainly descriptive, usually classifying practices according to their function or meaning (cf. Martens and Scott 2005; Schau, Muñiz and Arnould 2009; Denegri-Knott and Molesworth 2010). The concept of a practice is usually characterized as a “temporally unfolding, spatially dispersed nexus of doings and sayings” (Schatzki 1996, p. 89). Individual people act as carriers of practices, repeating and modifying them within their daily lives (Reckwitz 2002). The components of a practice, according to Warde (2005), are the following: 1) understanding how to do something, 2) the actual procedures of carrying out the act, and 3) the social engagements that link the individual to social life. Thus, Practice Theory is built around the notion of human activity, its mental representations, and its connection to the social sphere. However, despite the centrality of human activity to the concept of practice, the *concept of activity* itself is seldom discussed. Activity is simply seen as the expression of practice, but is not defined further. Consequently, there is a gap in the practice of theoretical consumer research: The features and boundaries of activity in performed practice are largely left unaddressed. Practices are seen as realized in performance, but the scope of the performance is unclear. How can the boundaries of performed activity be understood? What is the level of detail required when analyzing the performance of a practice? The aim of this paper is to gain insight into these questions, by investigating and clarifying the concept of activity in performed practice. Drawing on an analytical framework from Cultural Activity Theory (Leont’ev 1978, Engeström 1999), the paper makes two theoretical contributions.

First, activity is characterized as a hierarchy of units, where smaller subsidiary units combine into larger ones. This hierarchy can be applied to practice in theoretical research to understand the level of detail required in a particular research problem.

Second, the hierarchy characterizes the “activity” as a unit of behavior that is on the most general analytical level in the hierarchy. By defining “activity” as a discrete unit of behavior, researchers can discover activity units in accounts of practice. This helps us understand the structure of practice, and has consequences for understanding the difference between dispersed and integrated practices.

The hierarchical understanding of activity is applied in an empirical study. The study investigates at what level consumer activity has been discussed in twelve research

articles that contain empirical studies of consumer or customer practices. The studies chosen for this study are delimited by the criteria of 1) having to be empirical in nature and 2) having a consumer or customer focus.

This paper begins with a discussion of activity in consumer practices, then presents the analytical framework from Activity Theory, goes on to a present method, and analysis and ends with a discussion of the results.

## **2 ACTIVITY IN CONSUMER PRACTICES**

This section discusses the role of the concept of “activity” in current practice theoretical consumer research. The understanding of practice theory presented in this section is mainly based on writing by Schatzki (1996), Warde (2005) and Halkier (2010).

Practice Theory stems from a tradition of social theory represented by authors such as Bourdieu (1977) and Giddens (1979). A common theme of Practice Theory is the interest in peoples’ everyday lives or the “life-world” (Reckwitz 2002). In a consumer marketing context, Practice Theory can be seen as a countermovement to individualist and cognitive approaches to explaining consumer behavior. Instead of viewing activity and decision-making as outcomes of a purely internal process or external factors, Practice Theory looks at human action as integrated into, and informed by, a social context (Allen 2002; Kjellberg 2008). Practice Theory is characterized by its focus on human activity, seeing it not only as a result of individual mental processes, but as an embodiment of shared meaning—the unwritten social guidelines of conduct that shape human behavior. A commonly used definition of a practice in consumer and marketing research is the one by Reckwitz (2002), which states that a practice is:

[...] a routinized type of behavior which consists of several elements, interconnected to each other: forms of bodily activities, forms of mental activities, “things” and their use, a background knowledge in the form of understanding, know how, states of emotion and motivational knowledge. (Reckwitz 2002, 249)

This definition implies that that practices are foremost behavior. They can be understood as a recurring human activity where many different types of resources and elements are combined within the context of the person carrying out the practice. Similarly, Korkman (2006) describes practices as “[...] more or less routinized actions, which are orchestrated by tools, knowhow, images, physical space, and a subject who is carrying out the practice” (Korkman 2006, p. 27). From a marketing perspective, the study of consumer practices is the study of recurring consumer activities and their associated types of individual and social meanings and conditions (Holttinen 2013). Thus, practices exist at the intersection of the individual and the social. The products and services offered by a company can be parts of a consumer’s practices, but consumption activity does not necessarily require interaction with a company or its offering (Warde 2005).

Shove et al. (2007) identify two ways of approaching practices: Practice as performance, as it is being carried out; and practice as an entity that exists beyond the performance. The first is an actualization of the second. Warde (2005) clarifies this further, specifying that a practice constitutes a nexus of practical activity (i.e., doings and sayings) that is coordinated by understandings, procedures, and engagements. In other words, understandings, procedures, and engagements exist latently as shared

knowledge, which is then actualized in activity in a particular situation. Halkier (2010) refers to this as “performing practices.”

At the center of Practice Theory is thus the behavior of individuals understood as socially shared practices (Reckwitz, 2002). Terms, such as “social action” or “activity,” feature as recurring elements in practice theoretical writing. For example, Halkier and Jensen (2011) speak of practice-theoretical research in terms of “understanding of consumption activities as dynamic and relational accomplishments” (p. 106). Warde (2005) stresses that “practices consist of both doings and sayings, suggesting that analysis must be concerned with both practical activity and its representations” (p. 134). According to Reckwitz (2002) “...a practice represents a pattern which can be filled out by a multitude of single and often unique actions reproducing the practice” (p. 250). Halkier (2010) provides the following example to illustrate how understandings, procedures, and engagements organize activity in practices: “Eating practices such as the lunch activity of grabbing a sandwich on the way, are organized by understandings of eating (i.e., food is fuel for the body), by procedures for eating (using take away, not sitting down) and by engagements in eating (e.g., to get it over and done with).” (p. 30)

Thus, the concepts of “activity” and “action” seem to be of central importance to Practice Theory. However, none of the mentioned authors address the meaning or scope of the terms “activity” or “action.” Terms such as “act,” “activity,” and “action” are used to refer to human behavior in general terms—and include many different kinds of activity.

Instead, the reader is assumed to understand the meaning of the concept of activity on a general rather than specific level. The reason for the lack of definition of activity might lie in the sociological-philosophical origins of Practice Theory, which could have led to disinterest in strict definitions of the boundaries of a practice. According to Warde (2005), theories of practice tend to be metatheoretical. It is thus up to the individual researcher to decide the scope of a practice in the particular context studied. However, in order to create tools for studying practices from a more systemic or systematic point of view, the understanding of practices needs to be brought down from the abstract to the concrete—and their different levels of acts and activities categorized and delimited. Another factor that further complicates analysis is that Practice Theory is not one coherent theory. Many versions of Practice Theory exist (c.f. Halkier and Jensen, 2011). Thus, it might be beneficial to look for frameworks for defining and delimiting activity outside Practice Theory. One possible avenue for finding tools for delimiting and understanding the boundaries of activity in practices is Cultural-Historical Activity Theory (Leont’ev, 1978).

### **3 ACTIVITY THEORY**

Cultural Activity Theory stems from a tradition of social sciences rooted in the psychological research of Lev Vygotsky (1896-1934). Vygotsky initiated a stream of research usually referred to as the “cultural-historical” school of Soviet psychology (Yasnitsky 2011, Holt and Morris 1993). The cultural-historical school of thought—which contains many commonalities with practice-theoretical thinking—is rooted in the observation that a narrow focus on either the individual or the social environment does not give a complete understanding of the human condition. Instead, this tradition looks at how “the mental life of the human individual exists in the form of its expression”



(Bakhurst and Padden 1991, p. 207)—meaning that the individual’s mental life is inseparable from interactions with persons and objects, language, and shared social meaning.

The central figure and founding father of Activity Theory is psychologist A.N. Leont’ev (1903-1979, alt. sp. Leontyev or Leontiev), who crystallized many of its core ideas and frameworks. At the center of Activity Theory lies the concept of the “activity,” seen as the factor that connects the subject to an object (Leont’ev 1978, Blunden 2010). Activity is seen as including “both the individual and his/her culturally defined environment” (Wertch 1981, p. viii). However, while a person’s external activity is seen as reflecting internal activity, the inverse is also seen as true, thus breaking down the distinction between external and internal phenomena (Wertch 1981). This idea is similar to practice theoretical notions. Activity Theory diverges from Practice Theory in its focus on goal-oriented activity rather than shared, routinized practice.

Leont’ev (1978) introduced two general approaches to analyzing activity: 1) the “activity system” and 2) the “units and levels” of activity. In the first approach, activity is understood through the system of subject, object, tools, rules, and the community involved in producing activity. Here, the main analytical unit is the “Activity System,” which has been defined as a “system of collaborative practices” (Engeström 1988, p. 30). An activity system is seen as a systemic whole, where a subject uses instruments to work on an object within the context of a community and its rules and division of labor (Engeström 1987). This framework has been applied in many contexts like organizational studies (e.g., Holt & Morris 1993, Prenkert 2006, Wägar 2011), educational studies (e.g., Storch 2006, Coldham 2011) and studies on computer-human interaction (e.g., Heaton 1998, Howard 2007). Leont’ev’s (1978) second approach to analyzing activity has enjoyed less attention than the first one, and focuses on understanding the “anatomy” of activity, (i.e., how activity can be understood as hierarchical units of different lengths). This second approach will be presented next.

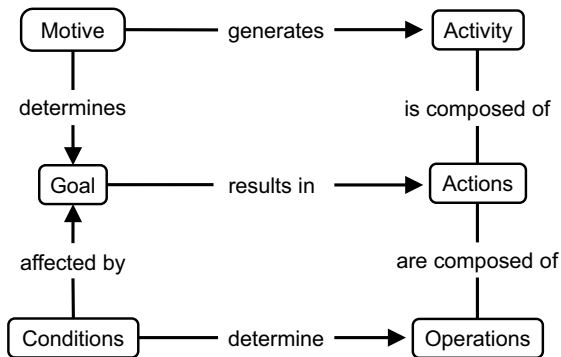
## 4 THE HIERARCHICAL VIEW OF ACTIVITY

Activity Theory analyzes human behavior in terms of activity. Activity is seen as driven by motives and consists of a set of goal-directed actions (Leont’ev 1978; Engeström 1999, 2000; Wilson 2009). Leont’ev, 1977, (p. 182) describes an “activity” as “... *a unit of life, mediated by mental reflection, by an image, whose real function is to orientate the subject in the objective world.*” This means that activities can be seen as distinct units of behavior, given their boundaries by human understandings. But how can these boundaries be delimited? Leont’ev (1978) gives the following description:

“...in the total flow of activity that forms human life, in its higher manifestations mediated by psychic reflection, analysis isolates separate (specific) activities in the first place according to the criterion of motives that elicit them. Then actions are isolated – processes that are subordinated to conscious goals, finally, operations that directly depend on the conditions of attaining concrete goals.” (Leont’ev, 1978, p. 54).

According to this description, activities are distinguished through a specific motive. To satisfy motives, action is taken to accomplish a set of goals. Thus, human activity and motivation can be understood as a hierarchy, somewhat similar to how means-end theory presents the consequences of product use as corresponding with consumers’ values (e.g., Gutman, 1982, 1997). In Activity Theory, an activity can be said to consist

of a set of actions, which in turn are subdivided into operations. Figure 1 shows how Activity Theory presents the linkage between the internal factors of motive, goals, and conditions and the external behavior—consisting of activity—actions and operations.



**Figure 1 Activity hierarchy from Wilson (2006)**

According to Leont'ev (1978), the origin of activity lies in human motives, conscious or unconscious. Motive drives a person to initiate activity. As illustrated in figure 1, a particular motive is translated into a set of concrete goals, which the subject believes will lead to satisfaction of the motive. To accomplish these goals, certain actions must be taken by the subject. The different actions that make up an activity are realized as a set of practical operations. The form of these basic operations is dependent on the concrete conditions under which they are realized (Zinchenko and Gordon 1981, Leont'ev 2006).

Thus, the motives of hunger, nurturance, and self-expression, for example, can underlie the activity of cooking for your family<sup>3</sup>. Realizing the activity of cooking may then incorporate a set of practical goals such as having the ingredients prepared, having them cooked, having the table set, and so on. These goals are accomplished through the concrete operations of chopping onions, turning on the stove, putting the pan on the stove, frying the onions, etc. These operations, in turn, depend on the conditions under which they are carried out—such as the type of knife available, the ingredients, their quality, the position of the stove, and so on. Thus, to analyze at which level activity is being discussed, Leont'ev (1978) suggests that we must observe whether the description corresponds to abstract motives, concrete goals, or real-world conditions.

Figure 1 may seem to suggest that Activity Theory belongs to cognitive theories of behavior, which explain behavior only as a result of internal motives and goals. However, Activity Theory also incorporates external factors such as social conditions and rules, as well as practical conditions (Engeström, 2000). This makes for a natural fit between Activity Theory and Practice Theory. In fact, Activity Theory has been identified as one of the underlying streams of research that directly has influenced the

<sup>3</sup> Note that motive is here used in the contemporary psychological, individualistic way (i.e., “an internal process that energizes and directs behaviour” [Reeve, 2005, p. 6]), rather than Leont'ev's understanding of motive as something dictated by the social system. For example, the outcomes of labour in a factory: Leont'ev sees the overall motives for building a train as formed on the societal level, then passed down to the individual level.

shape of Practice Theory (Korkman 2006). Activity Theory acknowledges that the motives that drive activity are formed in a social context and are socially shared (Leont'ev 1978). It can be noted that Activity Theory does not seem to be a cultural theory as described by Reckwitz (2002), as it is not focused on the social component, but instead concentrates on work and its outcomes (i.e., on outcome-focused processes participated in by individuals, which are carried out collectively). The shape of these processes and the skills used in them are learned from the social context. Thus, the main difference between Activity Theory and Practice Theory lies in the focus on outcome: Activity Theory is more focused on behavior as a means to achieve desired ends, while Practice Theory is more focused on the social and the routine aspect of behavior. What they share, however, is the understanding that it is not only psychological states that give birth to outward behavior; the inverse is also true.

The understanding of activity as a series of units that operate on different levels of abstraction is a core idea in Activity Theory. This idea is relatively unexplored in the context of Practice Theory, where activity is usually understood in terms of performed “sayings and doings” (Schatzki 1996). The aim of this paper is to clarify the concept of activity in performed practice by applying the analytical framework from Cultural Activity Theory. To do this we must first understand the how to find units and levels of activity. However, the “unitization” and “levelization” of activity is not a straightforward matter—even in Activity Theory (Leont'ev 2006). There are two important problems that must be addressed in order to apply Leont'ev's (1978) framework (Figure 1). The two problems are: 1) how to identify the boundaries of activity units, and 2) how to discern between levels of activity. The first problem deals with the seemingly straightforward question of whether one particular activity can be separated from the following one and how to do this. We will call this the problem of *horizontal* separability of action. The second problem deals with differentiating between different levels of analysis (i.e., activity, action, and operation). How can we be sure whether a particular account of consumer behavior operates on the level of “activity,” and not on the level of “action” or “operation”? We will call this the problem of *vertical* separability of activity. We will first consider the problem of horizontal separability.

## 5 THE UNIT OF “ACTIVITY”

One of the central ideas of Activity Theory, as presented by Leont'ev (1978), is the understanding of activity as an identifiable unit of behavior (Leont'ev, 2006). The idea was originally appropriated from linguistics, where separate words are given their meaning by the sentence they belong to. Similarly, small units of behavior can be seen as meaningless on their own, but meaningful in the context of activity sequences (Blunden, 2010). The unitization of behavior has, beyond Activity Theory, also been a topic in western philosophy (e.g., Danto, 1968) and social psychology (e.g., Harré, 1982). In both traditions, the commonly used approach has been to see human activity as a constantly unfolding sequence of behavior that is made up of units, usually called “actions” (Moya, 1990). An action is a general term that refers to a sequence of purposeful behavior—in contrast to mere happenings (Wilson and Shpall, 2012).

The “unitization” of activity is not a simple task, however. Some philosophers have, in fact, argued that it is impossible to divide activity into units with a beginning and an end (Bergson 1965, Giddens 1979), and that human life must be seen as an

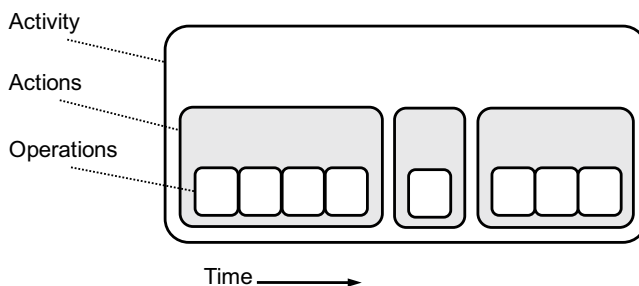
uninterrupted flow of experience. However, Schatzki (2006) argues that it is possible to separate human actions from each other:

“True, I do not attend to, and am not thematically aware of, the segmentation of my ongoing life as it transpires. I know of it, however, it is available to me as my life transpires (if you ask me, I can tell you): I possess knowledge of the performances of action that compose unfolding activity. (I also have knowledge of having perception)” (p. 168)

Schatzki’s argument for being able to divide human activity into units is that we, as humans, possess knowledge about the boundaries between different nameable sequences of behavior. This is similar to the Activity Theoretical view of external activity being reflected by mental activity. Internal and external activities are mirror images, where the units of behavior are reflected by corresponding “units of thought” (Leont’ev, 2006). Thus, the knowledge of performances is enough to convince Schatzki that activity can be understood as (often overlapping) units that can be ordered according to temporal position:

“The time of activity is an overlapping continuum of action performances each of which is structured as coming towards an end starting from a motivating state of affairs.” (Schatzki, 2006, p. 155)

Figure 2 shows this idea—activity as finite temporal units—applied to the levels of activity as presented by Leont’ev (1978)<sup>4</sup>. Based on this, an “activity” is here defined as a discrete, uninterrupted episode of motive-driven behavior that consists of individual actions—carried out by a subject and identifiable through human understandings. According to such a view, an activity can be broken down into its action components, which in turn can be further subdivided into operations. Schatzki’s (2006) description of “*performances of action that compose unfolding activity*” (p. 168) refers to this type of understanding. Leont’ev’s (1978) “operations” can be compared to Schatzki’s (1996) “sayings and doings.”



**Figure 2** Activity, actions, and operations (Leont’ev 1978, visualized as in Holmlund 2004).

Following Leont’ev’s lead, this paper understands an activity as a unit which forms a discrete episode of behavior with an identifiable beginning and ending in time, and which is “unitized” by forming a more or less coherent whole in the mind of the practitioner. The two subsidiary levels then make up the different units of sub-behavior that is carried out as a part of completing the activity. Within this framework, all three levels of behavior could be understood as expressions of practice, simply considering

<sup>4</sup> The time dimension is visualized in the in the manner of Holmlund’s (2004) illustration of B-to-B relationship structures.

the “sayings and doings” of Schatzki (1996) on different levels of abstraction. Thus, in the context of cooking, one could choose to investigate the practice of cooking and eating a particular meal (activity), the practice of preparing a particular course (action), or the practice of chopping an onion (operation).

## 6 THE LEVELS OF ACTIVITY

This leads us to the next problem, which concerns the level abstraction or vertical separability. How can an account of human behavior be identified as operating on one level and not another? Before we can progress any further, we need a clear understanding of the difference between “Activities,” “Actions,” and “Operations” as presented by Leont’ev (1978). Leont’ev states that they are possible to differentiate by understanding whether they correspond to motives, goals, or conditions (Figure 1). A. A. Leont’ev (2006, p. 34) describes this as a link between the inward and the outward, a subject’s relationship between “...what motivates him and what his action is directed toward, that is, the relationship between motive and goal.” Psychologist K.B. Madsen (1974) offers further clarification by stating that an “action” is identifiable by a description of its “intentions,” specifying that “intention” is not the same as “motive.” A motive is the answer to the question “why?” (“why do this particular thing?”), while intention is an answer to the question “what?” (“what are you trying to achieve?”). Note that “intention” is analogous with “goal” in Leont’ev’s (1977) terminology.

We must understand that the three levels (Activities, Actions, and Operations) are not separate, but simply the same phenomenon viewed at different levels of abstraction. Thus, we are not dealing with the actual behavior itself, but our understanding of it and at which level of abstraction it is being understood. This helps us see how we can distinguish Activities from Actions. “Activities” are accounts of behavior that operate on the level of satisfying a motive (“why?”), while “actions” are accounts that operate on the level of achieving concrete goals (“what?”). If we apply this logic to “operations,” the third part of Leont’ev’s framework (Figure 1), we can extrapolate that descriptions of operations should correspond with the question “how?” When we ask “how,” we introduce the practical conditions of behavior into the analysis .

To clarify, Activities, Actions, and Operations can be understood as different accounts of the same behavioral sequence, operating on different analytical levels. “Activities” are accounts of behavioral sequences that operate on the most general level in the framework. Take the example of hunting: If we ask “why do we hunt?” the answer will be a set of motives. Thus, we can consider “hunting” as an activity. Actions reside on a lower level of abstraction, and correspond with the question “what” (i.e., “what is hunting?”) The answer to this question might be descriptions of goal-directed behaviors, such as “preparing your equipment,” “tracking down prey,” “catching prey,” and so on. Consequently, these things can be considered accounts of action. Finally, to identify operations, we can ask about how the identified actions are carried out (e.g., “how do you prepare your equipment?”). We will then be provided with a practical account of what is actually done, introducing the real-world conditions in which activity is undertaken.

This division into “why,” “what,” and “how” can also be found in the hierarchical goal structures of means-end theory (Pieters et al., 1995). However, means-end theory is not

concerned with dividing outward behavior into hierarchical levels, but instead uses the goal structures to work backwards to the explanatory roots of behavior.

Within Practice Theory, Schatzki's (1996) notion of projects and tasks incorporate a similar hierarchical view of activity:

“Projects and tasks, meanwhile (e.g., making dinner and preparing healthy meals), are simply actions of sufficient generality that they are carried out or effected though the performance of other actions, themselves performed via bodily doings and sayings.” (Schatzki, 1996, p. 101)

For Schatzki, actions can be of different “generality,” and a small action can belong to a bigger one. Thus, the main difference between Leont'ev's (1978) and Schatzki's (1996, 2006) views is that Schatzki uses the term “activity” in the general sense, as an overall unfolding of behavior composed of separable actions, while Leont'ev also sees “activities” as specific, distinct units of behavior—which constitute the highest level of analysis in his framework.

In summary, the three analytical levels in Leont'ev's framework are distinguishable by investigating whether the descriptions of behavior primarily are concerned with motives, goals, or practical conditions.

There is, however, another fundamental problem that needs to be addressed before a hierarchical view of activity can be applied to practice theoretical understandings: How does the idea of activity, as motive driven sequences of behavior, fit into the understandings of Practice Theory?

## 7 PRACTICE THEORY AND MOTIVES FOR ACTIVITY

The preceding discussion suggested that the ongoing flow of activity can be divided into units of behavior, which can be discussed on different levels. However, the presented hierarchical framework of activity requires that we accept activities as driven by the individual motives and goals of people performing the activities. Practice Theory expressively distances itself from such individualistic explanations of behavior. According to Warde (2005), Practice Theory shifts the analytic focus from “the insatiable wants of the human animal to the instituted conventions of collective culture, from personal expression to social competence, from mildly constrained choice to disciplined participation” (p.146). How can the unitization of activity—which is dependent on understanding the goals and motives of the individual—be reconciled with such a view?

Indeed, it has been argued that Practice Theory overstates the significance of the habitual dimension of practice (Miettinen et al., 2012). Focus on pre-reflective, embodied actions, individual rationality, and conscious reflection often becomes somewhat overlooked by practice theoreticians. Without rationality and conscious reflection, there is only reproduction of behavior—and no invention of new practices or conscious efforts to reach formulated goals.

However, Practice Theory does not actually exclude motives and goals as explanatory factors for behavior. Instead, Practice Theory contains a broadened understanding of the relationship between mind, environment, and activity. Classic models of human motivation explain activity only as an expression of mental states that arise within

situational conditions. Practice Theory, on the other hand, also sees mental states as an expression of activity within a practice, which in turn is influenced by conditions and socially shared meaning structures (Schatzki, 1996). This means that, in Practice Theory, activities are not just seen as arising from motives—but rather the practice that the individual is carrying out. According to Schatzki (1996), the cumulative “doings and sayings” of a particular practice are produced from 1) understanding what to say or do in a particular situation, 2) explicit rules for a situation, and 3) what he calls “teleoaffective structures.” The first two can be seen as external guiding principles for behavior, while the third is internal. The “teleoaffective structures” incorporate two dimensions: The teleological (project, task, and purpose) and the affective (moods, emotions, and feelings) (Schatzki, 1996; Holttinen, 2010). Classical models of motivation can be seen as describing the teleological type of structure, where the individual can be seen as trying to accomplish something specific within a social context. Practices go beyond this by also including automated types of behavior and the moods and emotions involved (Warde, 2005). Thus, motives and goals are not excluded from practice theoretical accounts. Warde, for example, (2005) mentions variation in individual goals when writing about the nexus of practice:

“... it is highly likely that – without flouting the condition that the elements constitute a linked nexus – agents vary in their understandings, skills and goals and that the relationship between these three components also varies.” (p. 139)

According to Schatzki (1996), within practices, people pursue ends and purposes—trying to achieve states that are the “objects of her intentions, desires, hopes and wants.” (p. 101). Giddens (1979) sees motives and goals of individuals as an inherent part of his understanding of social theory:

“According to the theory of structuration, social systems have no purposes, reasons or needs whatsoever; only human individuals do so.” (p. 7.)

Thus, motives and goals cannot be excluded from practice theory, but can rather be seen as a partial explanatory factor for human behavior alongside habit and social understandings of proper conduct. Given that, there should be no major controversy in analyzing practice theoretical accounts of behavior using the three-level hierarchical framework from Activity Theory.

## 8 METHOD

This paper aims to apply Leont’ev’s (1978) activity framework (Figure 2) to empirical practice-theoretical consumer studies in order to discover at what level of detail activity is analyzed. The employed method can be seen as a type of conceptual meta-analysis, where the information in extant studies is analyzed using a framework from another field of research. Thus, the study should not be considered as a literature review (e.g., Torres, 2005), where a systematic review and synthesis of existing knowledge is made. Rather, the study applies a new framework to reported findings in existing studies, thereby reinterpreting the information presented in them. The study is delimited to focus only on studies that a) contain an empirical study, b) employs practice theory as its analytical framework, and c) focuses on consumers or customers.

Consequently, a database search was conducted using the key terms “practice theory,” “consumer,” “customer,” and “practices” in different combinations. The search was

conducted through a library service which combined nine different research databases. Out of the results of the search, studies that had a consumer focus—and which employed a practice theoretical approach—were selected for analysis. This meant that practice theoretical articles that focused on, for example, organizational or strategic issues (e.g., Whittington, 2006) or markets (e.g., Araujo, Kjellberg and Spencer, 2008) were omitted. Also, all studies that did not contain an empirical study were excluded. A manual search was also conducted in the journals *Journal of Consumer Research* (JCR) and *Consumers Markets and Culture* (CMC), where articles with the correct focus could be expected to be found. The search yielded twelve studies that had the correct focus (see Table 1).

**Table 1 Articles selected for study**

<b>Study</b>	<b>Context for practices</b>
Holt (1995)	Baseball game
Martens and Scott (2005)	Representations of cleaning in magazine
Korkman (2006)	Ferry trip
Schau, Muñiz and Arnould (2009)	Many different online brand communities
Sandikci and Ger (2010)	Womens' use of veils in Turkey
Valtonen, Markuksela and Moisander (2010)	Troll fishing tournaments
Gram-Hanssen (2011)	Residential energy consumption
Truning (2011)	Cooking with Bimby kitchen device
Rindell (2011)	Shopping at IKEA and Anttila
Magaudda (2011)	Digital music consumption
Rantala, Valtonen and Markuksela (2011)	Attending tourist outdoor excursion in Lapland
Iqani (2013)	Visual consumption at magazine newsstands

The studies were analyzed, with the aim of revealing which of Leont'ev's (1978) three analytical levels of practice were discussed. Attention was directed towards discussion of actual behavior carried out by consumers. Thus, descriptions of the perceived meanings and cultural context of these behaviors were deliberately given less attention. The types of behaviors that were mentioned in the studies were classified into the levels in Figure 2. Special attention was given to how the authors used terms such as "action" and "activity," and the context in which they were used in the studies.

Descriptions of behavior in the selected articles were analyzed according to the following logic: The definition of an activity as a "discrete, uninterrupted episode of behavior" was chosen as the starting point for analysis. The selected studies' descriptions of practices and their components were scrutinized with this definition in mind. Descriptions of behavior—that could be identified as a thematically consistent unit with an identifiable beginning and end and which did not constitute a part of another superseding, unbroken sequence of behavior—were categorized as "activity." Descriptions that fitted the definition were classified as "activities," according to Leont'ev's (1978) framework. Descriptions of activity units that formed subsets of the identified activity were classified as "actions," while the subsets of actions were classified as "operations." The paper only focuses on behavior that is identified as being



part of the investigated practices. Thus, descriptions of researchers' own behavior beyond the focal practices was ignored.

## 9 FINDINGS

Applying the activity framework from Activity Theory to studies of consumer practices revealed that most studies are concerned with describing and classifying the actions within some type of activity. Table 2 shows at which levels activity was predominantly discussed within the twelve studies. It also shows by what principle the activities are connected to each other. (A more detailed categorization of activity levels in the analyzed studies is presented in appendix 1.)

**Table 2 Findings**

<b>Study</b>	<b>Emphasized level of analysis</b>	<b>Activities connected by</b>
Korkman (2006)	Activity, Action	Event
Valtonen, Markuksela and Moisander (2010)	Operation	Event
Rantala, Valtonen and Markuksela (2011)	Activity	Event
Holt (1995)	Action , Operation	Event / Context
Martens and Scott (2005)	Action	Context
Sandikci and Ger (2010)	Activity	Context
Gram-Hanssen (2011)	Activity, Action, Operation	Context
Truninger (2011)	Action	Context
Rindell (2011)	Action	Context
Magaudda (2011)	Activity	Context
Iqani (2013)	Activity, Action, Operation	Context
Schau, Muñiz, and Arnould (2009)	Activity	Theme of practice

One of the first major practice theoretical consumer studies was authored by Holt (1995), focusing on the different behaviors among spectators at a baseball game. Attending a baseball game—in light of the Activity Theory framework—can be interpreted as an activity, because it forms an unbroken sequence with a single theme: following the game and participating as a spectator. The activity of participating as a spectator at a baseball game can be seen as being driven by a set of motives, and can be divided into a set of subsidiary actions that aim at fulfilling goals. Examples of consumer actions were interacting with other spectators, making sense of the game, or collecting autographs after the game.

More difficult to analyze were the studies by Korkman (2006) and Rantala, Valtonen, and Markuksela (2011), and Valtonen, Markuksela and Moisander (2010). All three focused on a particular event: in the first case, a ferry trip; in the second, a guided wilderness tour; and, in the third, a fishing competition. All three events formed an unbroken sequence of behavior, and thus could feasibly be classified as activity. However, the sub-units of behavior that made up the respective events were disparate and had many divergent objectives. It might instead be more appropriate to categorize the sub-phases of the focal event as activities—meaning that, within the context of a ferry trip, the passengers participate in activities such as buffet-dining or shopping. Similarly, within the context of a guided wilderness tour, the participants carry out activities such as dressing up for the excursion and fishing—which consist of subsidiary actions such as putting on gloves, *ad infinitum*.

In fact, most of what Korkman (2006) called “practices” could—in light of the framework—be classified as activities. Interestingly, in his analysis, Korkman used the term “action” in a way that was consistent with the Activity Theory framework. For example, Korkman described buffet dining as consisting of actions such as fetching food, walking around, and eating—all carried out as appropriate to the situation. This follows Reckwitz’ (2002) description of a practice as “...a pattern which can be filled out by a multitude of single and often unique actions reproducing the practice” (Reckwitz, 2002, p. 250). According to such a view, the terms “practice” and “activity” would operate on the same level. Actions would then be the building blocks of actualized practice. In the context of troll fishing, Valtonen, Markuksela, and Moisander (2010) speak of the “*coordinated actions taking place when a fish is caught*” (p. 378), referring to a detailed description of grabbing and gutting a fish. In contrast to Korkman (2006), however, Valtonen’s *et al.* (2010) use of the term “action” is not consistent with the Activity Theory framework, where small units of behavior would be classified as “operations.”

As discussed earlier in this paper, activities are not synonymous with practices—only expressions of it. This insight can be observed in studies such as the one done by Schau, Muñiz, and Arnould (2009)—where the different activities of members of brand communities were categorized under such themes as welcoming new members or evangelizing about the brand. The themes were seen as types of practice that were expressed through many kinds of activity. The reason for the heterogeneity in activities was that the practices were identified across many different brand communities: Practice was expressed as activity in different ways depending on whether the context was Xena fandom (TV-show) or Mini Cooper users (car brand). This means that the study by Schau, Muñiz, and Arnould (2009) goes beyond the activity level of analysis, presenting separate and temporally disconnected activities as parts of overarching practices—thus describing a set of activities that support the objectives of the central practice.

Other studies resided somewhere in between these two extremes—neither focusing on a particular event, nor being spread out over several contexts. Instead, they focused on temporally separate activities that were tied together by a single context, such as residential energy consumption (Gram-Hanssen, 2011), cooking with the Bimby Kitchen device (Truninger 2011), or shopping at IKEA (Rindell et al., 2012). Each of these studies discussed behavior mostly on the “action” level. For example, the Ikea case contained discussions of what to do while at Ikea or when assembling furniture. These discussions did not go into details of operations; they discussed actions. The residential energy consumption case (Gram-Hanssen, 2011), however, contained some discussion of behavior that could be interpreted as belonging to the “operation” level,

such as turning the heater knob while airing out the house. One can observe how the practice of energy consumption seems to be connected to small and particular operations, which have large consequences. Thus, the discussion of energy consumption practice needs to be carried out on a more detailed level. In comparison, Magaudda's (2011) study of the materiality of digital music consumption kept the discussion of activity on a non-detailed level, only mentioning general activities (such as storing music on hard discs) in the context of a general discussion of changing practices. Here, we can see that, due to the general aims of the study and the focus on material aspects, the discussion does not need to go into as much detail concerning the specifics of behavior as in the energy consumption case. Conversely, Iqani's (2013) study of visual consumption at newsstands focused on detailed descriptions of behavior that illustrated the different types of practice in a very narrow context. Thus, when compared to the other studies in this category, Iqani (2013) included a large number of descriptions that could be classified as "operations."

Finally, there were studies where the descriptions of actual activity were quite vague, such as Sandikci and Ger's (2010) study of women's veiling practices in Turkey, or Martens and Scott's (2005) study of how cleaning practices have been represented in magazines. In these studies, the descriptions of actual behavior were unspecific; analysis was focused more on the cultural meanings of general types of behavior than on providing detailed descriptions of actions or operations. These represent a type of study that is more focused on the bigger picture than on understanding the finer detail of how practice is expressed. Therefore, the analysis was in both cases kept on an extremely general activity level—where activities were tied together by belonging to the same context or theme in the consumer's life.

## 10 DISCUSSION AND CONCLUSIONS

The aim of this paper was to make sense of how consumers' behaviors have been studied from a practice-theoretical perspective, applying the unit of "activity" to empirical studies of consumer practices. The analysis shows that it is often somewhat problematic to decide what should be classified as an activity. The paper defined activity as "a discrete episode of behavior that consists of individual actions" with an identifiable beginning and ending in time, forming a coherent whole in the mind of the practitioner. Thus, for example, a ferry trip—which stretches out over many days—could be seen as an activity. But, on the other hand, it could be argued that the ferry trip is only the context for activity, and the things that happen on board are the actual activities. So which one is it? One answer to this question could be: It depends on the overall level of analysis. If we are analyzing only what happens during a ferry trip, it might be appropriate to see the ferry trip as a context and the events on board as activities. But if we analyze how a consumer arranges holiday travel, a ferry trip could be seen as an activity among others in the totality of holiday arrangement and travel practices, such as searching for information about alternatives or going on a charter trip to the south.

Activity Theory indicates that activities can be delimited by motive (i.e., "activity" can be seen as a sequence of behavior that is driven by a specific motive). Thus, an activity can be isolated from other behaviors as forming a sequence of behavior that corresponds with a particular motive. In empirical settings, however, motives behind activity can be expected to be multi-faceted—which makes identifying activities using

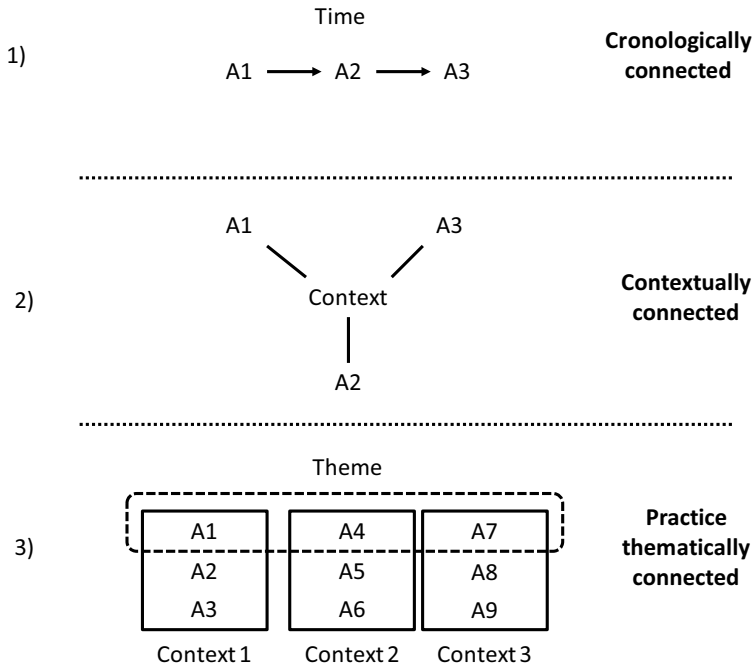
the “one motive” criteria difficult. It is perhaps easier to identify units of behavior in the other end of the spectrum (i.e., operations). According to Leont’ev (1978), operations are the methods that are used to accomplish actions. Thus, actions can be accomplished in many ways—depending on under which circumstances the operations making up the action are carried out. They are, however, small units of behavior that are insignificant without their role as a means for carrying out an end to satisfy a goal. Several of the studies discussed behavior on a level detailed enough to be classified as “operations.” For example, Rantala, Valtonen and Markuksela (2011) discussed the adjustment of body position in kayaking; Valtonen et al. (2010) gave detailed accounts of gutting a fish, whereas Gram-Hanssen (2011) mentioned such operations as pushing turning the heater knob or turning off the computer when managing residential energy consumption.

The most obvious conclusion of this study is that most practice-theoretical consumer studies focus on behavior on a quite general level. Most studies are focused on sociocultural meanings and backgrounds to behavior, and thus do not go into detailed accounts of the actual behavior within the practice. Rather, the focus is on analysis of meaning. The reason why actions within a practice are not analyzed on a detailed level may be that it is more difficult to carry out analyses of the social meanings of smaller actions. For example, in the case of cutting an onion when preparing a meal, one can probably observe different ways of cutting onions among practitioners (e.g., just cutting it randomly into smaller pieces, or first cutting lengthwise, then crosswise). The ways of carrying out the onion cutting have been learnt in some kind of social context. It is possible to carry out an analysis of the cultural meanings of the way the action is carried out, but—due to the narrow focus of the action—the analysis will not be able to say much. Most studies aim for more general and encompassing analysis, and thus discuss activity on a more general level.

Another consequence of defining activity as a discrete unit of behavior is that activities can be related to each other. This study identifies three different ways that activity in practices can be approached. Either the focus is on analyzing specific activities that usually happen in the same way, more or less, and trying to understand the activities as they happen within a context (such as Korkman’s ferry trip, 2006). The focus in such cases is on creating general descriptive categories of activity within the timeframe of a particular event. Alternatively, the focus is on creating categories across many different events, so that the activities are tied together only by belonging to a context—such as shopping at a particular store and using their products (Rindell et al., 2012) or by consuming a particular category of object, such as electricity (Gram-Hanssen, 2011) or a brand of cooking device (Truninger, 2011). Finally, a third way of approaching activity within practices is to observe the same type of activity happening across many different contexts and cases, such as in Muñiz and Arnould’s (2009) study of practices in online communities. The activities are seen as driven by universal motives or meanings—forming a single type of practice, but are expressed in different ways according to the specific context in which they happen. The activities are recognizable as belonging to the same practice only by their motive or function, not by what type of actual behavior pattern they produce. So, in sum, the three identified approaches for grouping activity into practices are the following:

- 4) Activities or actions connected by happening within single event
- 5) Activities or actions connected by belonging to the same context
- 6) Activities or actions connected by theme or function across contexts

Figure 3 illustrates the three identified ways that activities are connected to each other. In the first case, three separate activities (A1, A2, and A3) follow upon each other chronologically, thus forming a single event. In the second case, the activities are understood as connected to each other through the context that they belong to (e.g., residential energy consumption), while in the third case, the activities belong to three different contexts, but have been grouped according to their theme or motive.



**Figure 3** Different connecting principles for activity in practices

We can identify Schatzki's (1996) characterization of "dispersed" and "integrative" practices in these approaches: The integrative practices (such as cooking) are unified in context and follow a certain overall pattern. Dispersed practices (such as greeting other people) happen here and there, becoming part of other patterns of behavior and other practices. The distinction between the two types has been clarified by Arsel and Bean (2013), who identified general-level dispersed practices in the consumption of a media brand. A dispersed practice can be recognized by applicability across contexts, while an integrative practice can be identified by being applicable only in a particular context. Thus, the third identified connecting principle can be classified as dispersed practice. However, in addition to the dispersed practices, the current study determines two types of integrative practice: The first type is unified in time, and its activities happen sequentially within a particular event. The second type concerns practices where activities do not follow directly upon each other, but are connected by belonging to a particular context. Both of these should, according to Arsel and Bean (2013), be characterized as integrative practices. The current study suggests an important distinction with regards to the scope integrative practices. It shows that integrative practices can be either confined to only a particular event in time or go across many events separated in time but unified by their context.

The findings from this paper have several implications for practice theoretical research: First, they highlight the differences in scale of the behavior in the practice that is being analyzed. By being aware of the level they operate on, researchers can have a better grasp of how much detail they should be looking for in their empirical study. Second, by revealing the different ways practices tie together activity (either by timeframe, context, or function), the study allows researchers to understand what type of practice they are looking for, and can make the proper delimitations.

The main limitation of this paper is that the presented conclusions are drawn based on only a few cases. The amount of empirical research done on consumer practices is still limited, and it is thus difficult to make conclusive statements on the detail of analysis employed. Future research should go into more detailed discussions of how to identify Activity Theory's three levels of behavior: Activity, Action, and Operation.

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## 12 APPENDIX

Study	Context for practices	Mentioned Activity	Mentioned Action	Mentioned Operation
<b>Holt (1995)</b>	Baseball game	Attending baseball game	Finding seats	
			Wearing team colours	Dressing up properly
			Wearing personalized items	
			Interacting with other spectators	Talking about game and team Shouting, chanting Predicting outcomes of game Doing "the wave"
			Interacting with players	Attracting players' attention on field Collecting autographs Throwing back a home-run ball
<b>Martens and Scott (2005)</b>	Representations of cleaning in magazine	Watching game on TV		
		Reading sports pages		
		Attending baseball conventions		
		House cleaning	Washing clothes Ironing Returning clothes to their rightful places Tidying away toys	
			Cleaning toilets	Scrubbing toilet with disinfectant
			Cleaning sinks and work surfaces	
			Cleaning oven	Applying oven cleaner Removing oven cleaner

Study	Context for practices	Mentioned Activity	Mentioned Action	Mentioned Operation
Korkman (2006)	Ferry trip	Fine dining	Dining Having a drink together	
		Buffet dining	Eating and drinking Fetching food Walking around	
		Planning and decision making		
		Arrival on board	Arrive at cabin Settling down Preparing for next action	
		Circulating on boat	Strolling around Looking at views and merchandise Spending time with family	
		Living in cabin	Resting Spending time Going to sleep / sleeping Waking up	
		Negotiating with family members		
		Shopping and exploring merchandise	Looking from distance Looking at packages Touching Testing	
		Playing (children)		
		etc.		

Study	Context for practices	Mentioned Activity	Mentioned Action	Mentioned Operation
Schau, Muñiz and Arnould (2009)	Many different online brand communities	Greeting and assisting new members ("welcoming") Lending emotional support to members ("empathizing") Articulating behavioural expectations ("governing") Sharing positive experiences of a brand ("evangelizing") Giving explanations for why spending time, effort or money on brand ("justifying") Identifying distinction within brand group ("staking") Sharing milestone events in brand usage ("milestoning") Translating milestones into symbols ("badging") Sharing narrative related to brand ("documenting") Caring for the brand or systematizing optimal use patterns ("grooming") Modifying brand according to own or group's needs. ("customizing") Making sense of buying / selling / (de)commercializing brand ("commoditizing")		
Sandikci and Ger (2010)	Women's use of veils in Turkey	Wearing a veil in daily life outside home Communicating with others about veiling Making personalized veils Shopping for veils and clothing Following veiling fashion		

Study	Context for practices	Mentioned Activity	Mentioned Action	Mentioned Operation
Valtonen, Markusela and Moisanter (2010)	Troll fishing tournaments	Troll fishing	Drawing bait on line from moving vessel	
			Handling fishing gear	
			Manoeuvring boat	
			Keeping balance in boat	Adjusting body movement
			Gutting fish	Grabbing fish Lifting fish Holding fish upside down in hand Stunning fish with cudgel Cutting fish with knife
Gram-Hanssen (2011)	Residential energy consumption	Managing heating system	Interpreting surroundings	Sniffing the air
			Airing out the house	Turning heater knob
			Turning on and off electrical appliance	Pushing button
Truninger (2011)	Cooking with Bimby kitchen device	Using computer	Talking to audience	
			Demonstrating BIMBY device	Giving detailed instructions
			Cooking with Bimby	Involving audience members Making breadcrumbs
			Tasting the food	Listening to the noise of the machine
		Taking part in social networks		

Study	Context for practices	Mentioned Activity	Mentioned Action	Mentioned Operation	
<b>Rindell (2011)</b>	Shopping at IKEA	Shopping at IKEA with family	Eating together		
			Letting children play		
			Looking at interiors		
			Using instructions		
		Assembling furniture	Using key		
		Decorating home	Combining furniture		
<b>Magaudaa (2011)</b>	Shopping at Anttila	Shopping at Anttila store			
	Digital music consumption	Carrying around iPod in case			
		Choosing case for iPod			
		Buying accessories for iPod			
		Giving / receiving iPod as gift			
		Storing music on hard drive			
		Sharing stored music with friends			
		Making back-ups of digital music libraries			
		Buying vinyl records			
		Listening to vinyl records	Changing sides of record		
		Conservation of records and turntable			
	<b>Rantala, Valtonen and Markuskela (2011)</b>	Attending tourist outdoor excursion in Lapland	Dressing for excursion	Putting on boots	
			Putting on insulated garments	Trying on gloves	
			Reading weather conditions (guide)		Looking out of window
			Gathering tourist group together (guide)		
Eating by campfire					
Fishing					
Kayaking			Navigating rapids	Adjusting body position	
Talking about the excursion			Discussing ways of coping		
	Providing meaning for weather				



Study	Context for practices	Mentioned Activity	Mentioned Action	Mentioned Operation
Iqani (2013)	Visual consumption at magazine newsstands	Killing time	Browsing newsstand	Looking at newsstand Walking up and down display Picking up magazine Flicking through magazine Putting magazine down
		Buying magazine	Passing through newsstand	Walking in Leaving
			Locating magazine	Looking at newsstand Asking employee
			Purchasing magazine	
		Reading magazine in store	Looking through magazine	Picking up magazine Turning pages Chuckling at content Showing content to friend Putting magazine back in rack
			Reading articles	Standing with back turned to salesperson Standing hunched over Sitting on the floor Glancing up Handling magazine
			Leaving	Walking out from store

## CUSTOMER ACTIVITY IN SERVICE

JACOB MICKELSSON

### **ESSAY 2**

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## **Abstract**

**Purpose** – Customer activity in service has mainly been understood within the boundaries of interactions with service providers. This paper goes beyond this view to focus on the customer's independent activity, of which interaction is only a part. Moreover, the concept of customer activity remains largely unexplored and undefined. Hence, the purpose of this paper is to develop the concept of customer activity and to show how it can be applied in an empirical study.

**Approach** – The paper reviews the concept of customer activity in service marketing. It then goes on to characterise and operationalise the concept, and finally apply it to an explorative study. The study contrasts customer activity from the provider's interaction-centric point of view with customer activity from the customer's own point of view.

**Findings** – This paper defines customer activities as discrete sequences of behaviour that aim at creating or supporting some type of value in the customer's life or business. A customer-dominant perspective on customer activity allows companies to understand the role of their service in the various activities of different types of customers.

**Originality/value** – The paper contributes to service research by bringing attention to the concept of customer activity and contrasting it with alternative concepts. The paper is the first to show how customers combine different activities (where service interaction is only one type) into systems, which they maintain to create value for themselves. By profiling customers according to activity systems, providers can understand their own role in the customer's network of value-creating activities.

**Keywords** – Customer activity; service; customer activity networks; customer dominant logic

**Paper type** – Conceptual paper

## 1 INTRODUCTION

Customer centricity has long been propagated as the most important approach to understanding what businesses should do to succeed (e.g. Drucker, 1954; Levitt, 1960). However, scholars have argued that the dominating theoretical frameworks in marketing have – despite their customer-centric intent – a provider-centric core (Osborne and Ballantyne, 2012). In service research, the analytical focus has traditionally been on the firm and its processes, not on the customers' processes (Heinonen *et al.*, 2010).

This paper builds upon the customer-dominant logic (C-D logic) view of service, where the customer's processes are put into the centre of the analysis (Heinonen *et al.*, 2010; Heinonen *et al.*, 2013). Rather than the traditional, provider-centric view, which understands service through the lens of the service provider, C-D logic refocuses on understanding service from the point of view of the customer. C-D logic thus opens up possibilities for new perspectives on customer activity.

Current service studies usually understand customer activity as direct interactions between the provider and the customer within a dyad (e.g. van Birgelen *et al.*, 2012; Garnefeld and Steinhoff, 2013) or interactions with other actors in a network of service providers and customers (e.g. Walter *et al.*, 2010; Patrício *et al.*, 2011; Hibbert *et al.*, 2012). However, service use, from a customer-dominant point of view, is not only the interaction between a service provider and its customer (or other actors). It is also the customer's active integration of the service into a value-creating process that contains many other activities, ones that need not be facilitated by a particular provider (Heinonen *et al.*, 2010). To understand how customers use service to support their value-creating processes, we need to go beyond provider-centric, interaction-focused views of service use and value creation. We should look at what happens beyond the provider's immediate line of sight. How does the customer combine activities that contain inputs by a service provider with other activities – unseen by the provider – that support the same value-creating process?

The purpose of this paper is to explore the concept of customer activity in service. The paper departs from previous literature that regards customer activity from a firm-centric perspective. Instead, it conceptualizes customer activities as discrete, customer-controlled sequences of behaviour where inputs by service providers may or may not be required. Customers are seen as agents who creatively combine activities into systems of recurring activity, which are maintained in order to support some type of value-creating process in the customer's life or business.

The presented definition of customer activity is operationalised in an empirical study that contrasts an interaction-centric view of customer activity with a customer-centric one. The paper provides a new customer activity centric perspective on how customers use service and shows the practical consequences of a customer-dominant view of customer activity.

The paper begins with a review of how customer activity has been approached in service marketing. It goes on to discuss the related concepts of resource integration, customer practices and customer engagement behaviour. The concept of customer activity is then defined and discussed, and the paper presents an empirical study where the concept is applied. The paper ends with a discussion of the theoretical and practical implications, as well as limitations and suggestions for further research.

## 2 CUSTOMER ACTIVITY IN SERVICE

The following section reviews the concepts used by some of the main research streams in service marketing to approach customer activity, focusing especially on from what perspective activity is understood and how it is characterized.

### 2.1. Interaction

Interaction is one of the core concepts in service marketing. Grönroos (2009) summarizes its role by stating that “[...] through customer-firm interactions and the outcomes of these interactions, marketing aims at supporting customer value creation” (p. 399). Interactions are seen as the building blocks of relationships, which are at the core of service marketing (Ballantyne and Varey, 2006; Holmlund, 2004). The analytical focus is usually on interaction within either a dyad or a network.

Dyadic interaction can be found in research streams such as traditional service management (e.g. Shostack, 1984, 1993; Zomerdijk and Voss, 2010; van Birgelen *et al.*, 2012), customer relationship management (e.g. Grönroos, 2000; Storbacka and Lehtinen, 2001; Law *et al.*, 2003), and self-service (e.g. Fitzsimmons, 2003; Bitner *et al.*, 2002). In these streams, customer activity is seen as either directed by service design or as constituting the customer’s input into a relationship. A contrasting view is offered by the more recent concept of co-creation, which refers to how customers are allowed to co-construct and personalize the service experience. It incorporates joint problem definition and solving between provider and customer, and highlights the customer’s active inputs into the service process (Pralhad and Ramaswamy, 2004; Grönroos and Voima, 2012).

Interaction from a network point of view was popularized by the IMP group’s seminal research on B-to-B relationships (Håkansson and Snehota, 1995; Ford, 2004). It has more recently resurfaced within the Service-Dominant logic debates (Vargo and Lusch, 2011) as well as in recent research on customer experiences in actor networks (Baron and Harris, 2010; Patrício *et al.*, 2011). A network perspective employs a birds-eye point-of-view that sees the customer as just one actor among others, and activities are understood mainly by how they link actors to each other (Gummesson, 2004). The purpose of network analysis is usually to understand how a particular service or experience is produced through the interactions of actors.

### 2.2. Resource integration

Customer resource integration has been defined as “the processes by which customers deploy their resources as they undertake bundles of activities that create value directly or that will facilitate subsequent consumption/use from which they will derive value” (Hibbert *et al.*, 2012, p. 248). Overall, resource integration usually refers to the general idea of a process where mental and physical resources are combined to achieve goals and create valuable experiences (e.g. Arnould *et al.*, 2006; Baron and Harris, 2008). Resource integration is a central concept in Service-Dominant logic (Vargo and Lusch, 2004, 2008). Vargo (2008) argues that “firm activity is best understood in terms of input for the customer’s resource integrating, value creation activities” (p. 214). However, despite the centrality of activities in the concept, resource integration is, as

indicated by the name, mostly focused on how resources are combined, used and transformed (e.g. Moeller, 2008; Pareigis, 2012).

### **2.3. Customer activity**

Although customer activity is a central part of both interaction and resource integration as described above, the concept of ‘activity’ itself has usually not been defined or clarified in any way. Instead, the term is used in a general way to refer to any type of behaviour. Moreover, as interaction is such a dominating concept in service, the customer’s independent activity beyond interaction seldom comes into the analysis. However, certain aspects of solutions literature have touched upon independent customer activity. Sawhney (1999, 2006) suggests that solutions should be built around the activities of customers, and describes how customers use many different providers to support ongoing concerns in their lives. He characterises this as ‘metamarkets’, markets that exist only in the customer’s mind. According to Sawhney (1999, 2004), customers buy activities, which are part of ongoing cycles that include purchasing, using, learning, renewing and even selling. Thus, Sawhney takes a customer activity centric stance, though without defining what is meant by the term ‘customer activity’.

### **2.4. Customer practices**

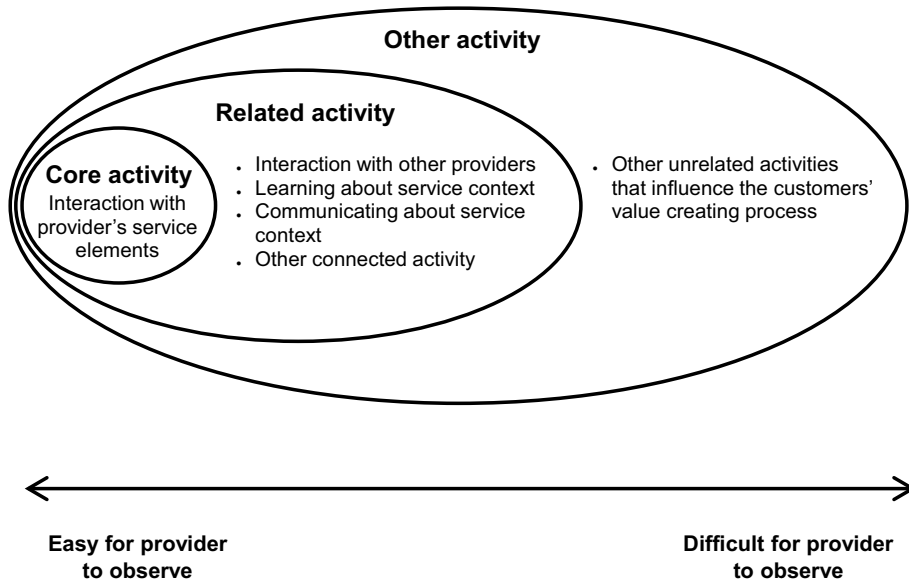
The practice-theoretical stream of research views customer activity in terms of social action, where individuals express meaning through their consumption choices (Warde, 2005; Holttinen, 2010; Korkman, 2006; Korkman *et al.*, 2011). Korkman (2006) describes practices as “[...] *more or less routinized actions, which are orchestrated by tools, knowhow, images, physical space, and a subject who is carrying out the practice*” (p. 27). A common theme of practice theory is the interest in peoples’ everyday lives or ‘life-world’ (Reckwitz, 2002). Practices are enacted within a social context, where sayings and doings are interpreted and understood through what they communicate socially (Reckwitz, 2002). Customers integrate the inputs of firms into their practices, and value is interpreted through the social meaning of these practices (Warde, 2005; Holttinen, 2010). However, the writers of practice theory have more or less intentionally declined to provide a strict definition of the boundaries or different levels in practices. Terms such as ‘act’, ‘activity’ and ‘action’ are used loosely to refer to human behaviour in general, and include many different kinds of activity.

### **2.5. Customer engagement behaviour (CEB)**

Customer engagement behaviours are defined as customer behaviours that “go beyond transactions, and may be specifically defined as a customer’s behavioural manifestations that have a brand or firm focus, beyond purchase, resulting from motivational drivers” (van Doorn *et al.*, 2010, p. 254). This means that CEB focuses on the behaviour of customers beyond interaction. However, it is rooted in a relationship tradition, and thus is interested in customer behaviour that expresses the engagement with a particular provider (Brodie *et al.*, 2011). This makes CEB dyadic at heart, even though the network of other actors is acknowledged (FP 3 in Brodie *et al.*, 2011). Moreover, the specific meaning of the term ‘behaviour’ is not defined.

### 3 CUSTOMER ACTIVITY FROM A CUSTOMER-DOMINANT PERSPECTIVE

The lack of a definition of the concept of ‘activity’ is a core problem when discussing customer activity in service research and even in marketing overall. Authors in all of the mentioned research streams frequently use terms such as ‘activity’ and ‘action’ or ‘behaviour’ without defining how the terms should be understood. The literature review suggests that the reason for this may be that service research has a strong tradition of focusing on interaction and relationships. Service is usually seen through the lens of interaction between two or more parties, not through how one party applies the outcomes of interaction. However, a customer-dominant approach requires service to be seen from the customer’s point of view (Heinonen *et al.*, 2010; Heinonen *et al.*, 2013). In line with Edvardsson, *et al.* (2005) C-D logic understands service as a customer-centric perspective on value creation. Consequently, Heinonen *et al.* (2010) suggest that to understand service from the customer’s perspective, the focus should not be limited only to the interactions between customer and service provider, but also take into account the customer’s other activities relevant to the emergence of customer value. To highlight this, Heinonen *et al.* (2010) divided the customer’s spheres of activity into: 1) core activity; 2) related activity; and 3) other activity. They argued that from a customer-centric perspective, the customer’s full experience of value depends on what is going on in all three levels.



**Figure 1** Levels of customer activity

The following section discusses and further defines the three spheres of customer activity.

**Core customer activity (visible to service provider):** According to Heinonen *et al.* (2010), the customer's core activities are those immediately related to using the service elements of a provider. ('Service elements' here refers to any type of input from the provider that is used in the processes of the customer). Thus, core activities are ones that fall within the service provider's direct sphere of influence, such as direct communication or interaction with customers, or direct use of the supplier's product. Grönroos and Voima (2012) refer to this as the "joint sphere of value creation", where both the provider's and customer's inputs contribute to co-creating the customer's experiences of value. These are activities that may be characterised as 'service use' or 'interaction'. Note that they are not *automatically* visible to the provider, just more easily observed than related activities. Core customer activity has usually been in focus in service design (Shostack, 1984; Bitner *et al.*, 2008), customer experience management (Berry *et al.*, 2002) and relationship management (Payne *et al.*, 2009). Only recently have researchers suggested taking the customer's point of view when looking at core activity – see, for example, customer scripts of service use (Eichentopf *et al.*, 2011).

**Related customer activity (invisible to service provider):** These are activities that belong to the same value-creating process as the core activities, but are invisible to the service provider (Heinonen *et al.*, 2010). Grönroos and Voima (2012) refer to this as the customer's sphere of value creation. Although activities within the customer's sphere are beyond the perception and immediate influence of service providers, they are essential to the customer's value-creating process. Such activities may be supplemental information searches, interactions with competitors of the focal firm, interactions with complementary service providers, or interactions with other customers or stakeholders relevant to the use of the focal service. Related activities can also be other complementary activities that customers need to engage in before using a service, such as making a schedule for a vacation bought as a flight-and-hotel package from a particular service provider. This type of perspective on customer activity is found in concepts such as the customer scenarios (Seybold, 2001), metamarkets (Sawhney, 1999) and value constellation experiences (Patricio *et al.*, 2011), all of which focus on understanding the customer's sequence of activities when completing a task or a cycle of use.

**Other customer activity (invisible to service provider):** These are activities that indirectly influence the creation of value within the core and related activities. This can for example be unrelated events around which the core activity has to be organized. Such activities are not directly involved in the value-creating process, but they still influence the structure of it. Consider, for example, the timing of service use (Heinonen, 2006). Choosing the time when you go to a restaurant depends on the timing of a whole set of other activities, such as at what time you get home from work, at what time you are able to secure a baby-sitter, and at what time the show you wish to attend starts. In Business-to-Business research the effects of other customer activities are familiar, as service providers often have to adapt their processes to fit with their customers' other activities (e.g. Håkansson and Snehota, 1995; Brennan *et al.*, 2003).

However, to be able to identify and link the presented levels of customer activity with each other, the concept of 'activity' needs to be clearly defined. Thus, the next section characterises customer activity.



## 4 CHARACTERISING CUSTOMER ACTIVITY

As a response to the challenge of defining activity from a customer-dominant point of view, this paper draws on another, less well-known stream of research: Activity Theory. Activity theory analyses human behaviour in terms of activity that is driven by motives, and consists of a set of goal-directed actions (Leont'ev, 1978; Engeström, 1999, 2000; Wilson, 2009). The central analytical unit in activity theory is 'activity', a process where subjects employ tools and skills on objects to achieve outcomes (Engeström, 1987; Holt and Morris, 1993). Leont'ev (1977, p. 182) describes 'activity' as "... a unit of life, mediated by mental reflection, by an image, whose real function is to orientate the subject in the objective world". From this point of view, activities can be seen as distinct units of behaviour that are given boundaries by human understandings. If we apply activity theory thinking to a service setting, we can define a 'customer activity' as *a discrete sequence of behaviour that through its outcomes aims at creating or supporting some type of value in the customer's life or business*. Value is here assumed to be experiential and socially informed (Helkkula and Kelleher, 2010, Helkkula *et al.* 2012).<sup>5</sup> Customers are seen to be striving for valuable experiences within the confines of bounded rationality (Kahneman, 2003). Thus, in a service context, an example of an activity could be 'going to the grocery store'. 'Going to the grocery store' can be categorised as an activity, because it forms a discrete sequence of behaviour that supports one (or many) value-creating process(es) in the customer's life – household work, for example. The outcomes of going to the store can then be used within other activities that the customer is likely to initiate later. Thus, one can expect activities to have different kinds of relationships with one another, forming sequences or networks of behaviour, where service interactions are combined with other types of customer activity.

Activity theory has many similarities to practice theory (Reckwitz, 2002), but is less focused on social meanings and more on the process and outcome of goal-directed behaviour. Practice theory carries strong sociocultural connotations and focuses on routinisation. Activity theory, however, highlights the functionality and outcome rather than social context of human action. It focuses the attention on activities and presents them as identifiable units of behaviour. The 'unitization' of activity makes a systemic analysis of the relationship between activities possible.

In contrast to resource integration, which directs the attention to resources, their origins and how they are combined, 'customer activity' directs the attention to units of behaviour first, resources second. From a customer-dominant perspective, interactions with service providers are only one type of activity among others. Thus, service interactions with (and inputs from) service providers only become a facilitating part of the activities, and the agency of the customer becomes central for organizing and connecting different types of activity together.

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<sup>5</sup> For clarifying discussions on the relationship between service, activity, experience and value, see especially Holbrook (2006a), but also Holbrook (2006b), Ravald (2008), Wikström (2008) and Heinonen *et al.* (2013).

## 5 LINKING CUSTOMER ACTIVITIES

Customer behaviour has traditionally been seen as chains of events where one activity leads to the next (e.g. Seybold, 2001; Patricio *et al.*, 2011). However, customer value creation can also be seen as replicated and repeated activities that might (but need not) be carried out in a particular order. The customer has a relationship with each activity and can carry it out whenever required. Due to this, activities need not be analysed as sequences of events, but can be viewed as constellations, where each activity stands in some kind of relationship with the others. For example, in the context of getting from your home to work every day, the activities of driving your car and taking the bus probably have a negative relationship with each other. Both support the same process of value creation, enabling you to get to work, but are different activities. Inversely, the activities of driving your car to work every day and the activity of patronizing a car repair shop can be expected to have a positive relationship to each other. Usually, this combination of activities is viewed through the chain of events that they are part of, following a predictable sequence. In this paper, activities are not assumed to have a particular order, but form a repertoire for the customer. The activities in the repertoire are tied together in the customer's mind by a shared theme or purpose. As a result, activities can be discussed in terms of systems or networks instead of sequences.

Thus, a customer's *system of value-creating activities* can be defined as a set of recurring, interlinked activities that have shared theme or purpose, and which a customer draws on to create value for themselves in their life or business. By identifying the links between activities, we can illustrate customers' systems of activity in the form of activity networks. A customer activity network can be used to shed light on the role of a service provider in the customer's life or business. Some suggestions for links between activities could be resource links (acquired in one activity, used in another), functional links, frequency, temporal links, cognitive links, etc. Thus, we can formulate a series of research questions designed to reveal the role of a provider's offered service elements in customers' systems of value-creating activities:

- RQ 1 What recurring customer activities belong to the same system of value-creating activities as those facilitated by a focal service provider?
- RQ 2 Can links be found between the identified customer activities?
- RQ 3 Can customers be grouped into profiles based on different activity patterns?
- RQ 4 What is the role of the focal service provider in the customers' systems of activities?

These four research questions are intended to help service providers understand their role in networks of customer activity as outlined in the preceding sections.

## 6 EMPIRICAL STUDY

One way to illustrate how customer-dominant activity differs from traditional approaches is to conduct a study that contrasts customer activity from a firm-centric interaction point of view with customer activity from a customer-centric one. However,

such a study would require two types of data: information on how customers interact with a provider's service elements, as well as data on other, related activities. Gaining access to such data poses challenges. Furthermore, service from a customer-dominated activity point of view has not been explored empirically before. Due to these reasons, an exploratory single-case study design was adopted for the empirical study (Eisenhardt, 1989; Flyvbjerg, 2006).

The researchers were able to secure access to the required types of information within a collaborative project with an internationally operating online gambling provider. Thus, the context of online gaming was chosen for the study. Online gaming is arguably a good context for the study, as website customers have been shown to be selective and empowered in choosing services that best fit their needs and wants from the array of services offered (Gummerus, 2010). Online gambling sites offer many different service elements that the customer may combine in order to construct the desired experience. Furthermore, beyond the interactions with a particular provider, there exists a wealth of gambling-related activities that customers can engage in, both online and offline.

### **6.1. Research methodology and data**

The study aimed to answer the four presented research questions within the context of online gaming. It was decided that the provider-centric part of the study would collect the type of customer activity data that is typically used by management to create customer profiles and make strategic decisions, i.e. customer database data. To facilitate data combination, it was decided that related (invisible) activity data should be collected in similar numeric form. Consequently, the study was conducted in three stages. First, a qualitative stage that aimed at identifying the customers' system of value-creating activities in the context of online gambling. Second, a quantitative stage, where the identified activities were transformed into items in a survey, which was sent out to a sample of the firm's customers. The third stage consisted of matching survey responses to database data on each respondent's service use behaviour. The study is the first one in service research to connect survey data to database data on an individual respondent level.

To identify related customer activity in gambling, 20 interviews were conducted with online monetary gamers in 2009. The gamers (17 male, three female, which is equivalent to the gender distribution of customers) were purposefully selected from the customer database of the provider. They were chosen to represent different types of customers, both regarding what types of games they mainly play (slots, poker, action games, table games) and the intensity of their gambling (high/low). The open interviews were conducted by phone, and focused on identifying other gambling-related activities that the respondents participated in outside of the provider's services (RQ 1). The initial sample was deemed sufficient due to saturation (Guest *et al.*, 2006). The activities mentioned by the respondents were collapsed into a list of ten gambling-related activity categories through inductive categorisation (Spiggle, 1994). The categories were created to describe general, not specific behaviour, so that respondents' mentions of playing at named competitors' sites, for example, were collapsed into the category 'playing monetary games at other site than [focal provider]'.

The list of activities was presented to a group of five online gambling industry professionals who were involved in the project. Based on its experience, the group suggested adding one more activity to the list ('reading blogs or articles on the internet about monetary gaming'). The identified activities were used to create a survey, the

items of which can be found in Table 1. In the survey, each respondent was asked to consider to which degree he or she had participated in each of the activities during the preceding 12 months. Each item had nine different response alternatives (“almost every day”, “several times a week”, “about once a week”, “several times a month”, “about once a month”, “several times a year”, “about once a year”, “more seldom” and “never”).

**Table 1 Research items for related customer activity (invisible to provider)**

<b>Related Activity Items</b>	<b>Mean</b>	<b>Std. Dev.</b>
1. I play online monetary games at another site than [focal provider]	3.12	3.09
2. I play online monetary games at a third site	1.26	2.40
3. I read books about monetary gaming	0.23	0.94
4. I read magazines about monetary gaming	0.51	1.66
5. I read online discussion forums about monetary gaming	1.24	2.68
6. I read blogs or articles on the internet about monetary gaming	0.86	2.22
7. I talk to friends about monetary gaming	2.32	2.96
8. I play scratch cards or lottery	2.52	2.66
9. I play at casinos	0.77	1.82
10. I play slot machines (at some other place than a casino)	2.29	2.86
11. I play live poker with friends	1.20	1.93

In April 2010, the survey was sent to a sample of customers of the online gambling provider. Customers in Finland and Sweden were randomly selected from the service provider’s database. Expected response rates were known, and the sample size was determined based on the requirements in Bartlett et al. (2001). Table 2 shows sample sizes, response rates and the age distribution of the respondents.

**Table 2 Sample sizes and response rates**

<b>Country</b>	<b>Sample size</b>	<b>Responses</b>	<b>Response rate</b>	<b>Mean age</b>	<b>St. dev. age</b>
Finland	4,000	466	11.7%	35	11
Sweden	4,000	270	6.7%	40	13
Total	8,000	736	9.2%	37	12

The gender distribution in the total sample (74% male respondents, 26% female) was roughly equivalent to the provider's total user base (approx. 75% male). The sample also had a similar age distribution to the population and was considered representative. To be able to analyse correlations, responses were encoded into numeric form and each alternative was assigned a value between 0 and 8 (from "never" = 0 to "almost every day" = 8).

The service provider linked the individual responses with each respondent's service use data from the provider's customer database. The provider conducted the linking without exposing names or personal information of individual respondents. The linked database contained information about how much money each respondent had spent on each of the provider's game categories during the last 12 months. The seven game categories (Slots, Action games, Player vs. player poker, Betting, Lottery, Table games, Video poker) were treated as a particular type of provider-enabled activity, i.e. core customer activity.

Matching survey responses to customer data failed in 49 cases, leaving 687 cases that could be used. Of these, 57 respondents who had not used the provider's services at all during the last 12 months were excluded. This left a final total of 630 observations to be used in the analysis.

Customer database data is often problematic to use in analysis as it usually contains extreme outliers that skew results. Malthouse and Wang (1998) suggest that ranking the data into quintiles or deciles can remedy this problem, especially if the data is to be used in k-means clustering. Consequently, raw monetary data were converted to deciles: for each type of game offered by the provider, each respondent was assigned membership in a decile according to the magnitude of spending per game type.

## 7 ANALYSIS

All activities (both core and related) were paired and analysed for Pearson correlation (RQ 2). The results of the correlation analysis are depicted in Figure 2. The thick lines show correlations that are stronger than  $r = 0.3$ , while the dashed lines show correlations that are between  $r = 0.2$  and  $r = 0.3$ . Correlations weaker than  $r = 0.2$  were left out of the figure. In social sciences, correlations around 0.2 can be considered acceptable, depending on the context of the study (Cohen, 1988). Since the correlations in this study do not portray causal dependencies, but can be seen as reflecting several underlying, unknown factors, relatively weak correlations can be expected. All correlations in Figure 2 are significant on  $p < 0.005$ .

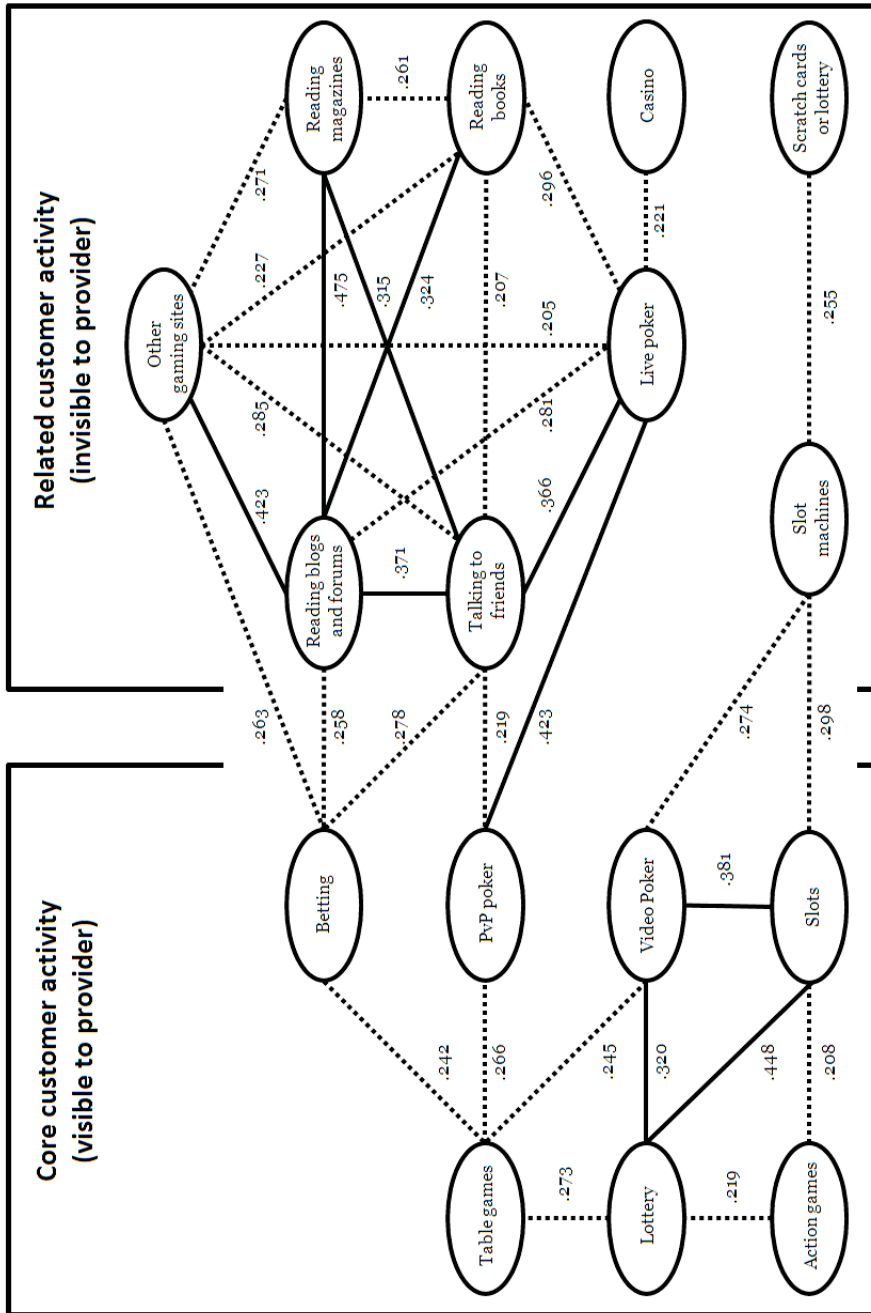


Figure 2 Correlations between activities

A few of the related activity variables were combined into composite variables due to similarity. 'Reading blogs or articles' and 'reading online discussion forums' correlated highly with each other ( $r = .632$ ), and had very similar relationships with all the other variables. Due to this, they were combined into the new variable 'reading blogs and forums' by calculating their mean value. Similarly, the variables 'playing at another site' and 'playing at a third site' were combined into a new variable called 'playing at other gaming sites' due to correlation ( $r = .521$ ), conceptual similarity and similar relationships with other variables.

The totality of the connections illustrated in Figure 2 suggests two separate clusters of activity, indicating two different activity profiles (RQ 3). Player versus player poker and betting at the focal provider's site were connected to a dense network of related activity where social interaction and information seeking played an important role. Video poker and slots, on the other hand, were directly connected only to the use of real-world slot machines.

To test the idea of two different activity profiles further, all valid cases were subjected to a K-means cluster analysis. Experimentation with cluster centres led to settling on three clusters, as there also seemed to be a cluster of inactive customers in addition to the expected two. Results from the cluster analysis are shown in Table 3. For activities where only one cluster significantly differs from the other two, the cluster means are marked as either HIGH or LOW. For activities where the means of all three clusters significantly differ from one another, the cluster means are marked HIGH, MID and LOW.

### Cluster Analysis of Valid Cases

		Clusters		
		1	2	3
Number of members in cluster		179	324	127
Core activity (visible)	Slot games	HIGH (8)	MID (5)	LOW (4)
	Action games	HIGH (6)	LOW (5)	LOW (5)
	PvP poker	HIGH (6)	LOW (5)	HIGH (6)
	Betting	MID (6)	LOW (5)	HIGH (7)
	Lottery	HIGH (7)	LOW (5)	LOW (5)
	Table games	HIGH (7)	LOW (5)	MID (6)
	Video poker	HIGH (8)	MID (5)	LOW (4)
Related activity (invisible)	Reading blogs and forums	MID (.72)	LOW (.16)	HIGH (3.72)
	Playing at other sites	MID (2.09)	LOW (1.34)	HIGH (4.38)
	Reading books	LOW (.08)	LOW (.10)	HIGH (.80)
	Reading magazines	MID (.41)	LOW (.03)	HIGH (1.89)
	Talking to friends	MID (2.87)	LOW (.79)	HIGH (5.53)
	Playing scratch cards or lottery	HIGH (3.18)	MID (2.12)	MID (2.62)
	Playing at casino	HIGH (1.26)	LOW (.44)	HIGH (.94)
	Playing slot machines (not at casino)	HIGH (4.92)	LOW (1.27)	MID (1.14)
Playing live poker with friends	MID (1.40)	LOW (.48)	HIGH (2.77)	

Cluster means marked with divergent labels (HIGH, MID, or LOW) differ from each other on a confidence level of  $p < .005$

**Table 3** Cluster analysis



The cluster analysis reflects the findings from the correlation analysis. The customers in cluster 3 combined higher use of the PvP poker and betting elements of the provider's service with higher levels of participation in all related activities except scratch cards/lottery and slot machines. Conversely, cluster 1 combined the highest levels of activity in all core service elements (except PvP poker and betting) with the highest levels of participation in scratch cards/lottery and slot machine activity. Thus, the focal provider has different roles: in cluster 3 it plays a small part in a complex network of activity, while it has a much bigger role in the customers' network of gambling activity in cluster 1 (RQ 4).

## 8 DISCUSSION

The following section summarizes and discusses the results of the empirical study, highlighting the paper's contribution by contrasting the presented approach to previous research.

Firstly, the paper suggested that researchers should *identify recurring customer activities that belong to the same system of value-creating activities as those facilitated by a focal service provider*. Interviews with online gambling customers revealed nine general types of recurring activity within the context of gambling. However, activities were not assumed to form a sequence, as usually is the case when mapping out customer activity (e.g. Seybold, 2001; Patrício *et al.*, 2011). Instead, they were seen as recurring, discrete sequences of behaviour. Moreover, they were identified through their shared theme or purpose for the customer, not as expressions of a particular brand (or other) relationship (e.g. Brodie *et al.*, 2011). These two factors provide a unique view on service and customer activity, capturing not only the usual service interaction, word-of-mouth or search behaviours, but also other complementary activities.

Secondly, the paper suggested that researchers *find links between the identified customer activities*. The study showed how this can be done by frequency correlation, revealing which activities typically appear together. Customer Dominant Logic suggests that to understand the role of the service provider in the customer's life or business, service interactions should be viewed within the context of other relevant activities (Heinonen *et al.*, 2010). By identifying links between customer activities, systems of activity can be drawn up as networks. There is a long tradition of employing a network perspective on *actors* in service (e.g. Håkansson and Snehota, 1995; Normann, 2001; Vargo and Lush, 2011) However, a network understanding of customer *activities* is novel to service research, and facilitates new ways of analysing customers' relationships with service providers. It shifts the focus from service providers as facilitators of customer activity to customers as managers of customer activity repertoires.

Thirdly, the paper suggested that *customers can be grouped into profiles based on different activity patterns*. The empirical study showed that this is possible by revealing three distinct customer groups with very different activity combinations. Currently, profiles of customer behaviour are usually created based on customer database data collected in interactions (Sheth and Parvatiyar, 2000; Sumathi and Sivanandam, 2006). Such profiles only give a limited understanding of the provider's position in the customer's life or business. Conversely, profiles of activity from a systemic point of view are difficult to create with practice- or culture related

approaches, which focus on cultural resources or social meanings and roles (e.g. Korkman *et al.*, 2011; Arnould and Thompson, 2005). Thus, a systemic view of activity has more in common e.g. with Sprotles and Kendall's (1986) consumer shopping styles than with consumer culture theory.

Finally, the paper suggested considering the *role of the focal service provider in the customers' systems of activities*. The findings of the empirical study showed that the provider played different roles in the identified customer groups. In group one the provider played a central role, as the customers participated only in a few activities beyond the provider's services. In group three, however, more limited service interactions were combined with a rich network of complementary activity. Thus, in certain customer groups the focal relationship may not be very important at all, only playing a minor role in the wider system of activities. In others it may be the core of the whole activity network. By understanding customer activity from a network perspective and identifying different activity profiles, various provider roles can be identified. The different provider roles can then be supported through mass customisation, for example (e.g. Fogliatto *et al.*, 2012; Wang *et al.*, 2013).

In summary, by identifying and analysing and categorising customers' activity networks marketers can gain insight into the role of a particular service provider in the customer's life or business.

## 9 CONCLUSION

This paper clarified the concept of customer activity, defining it as a discrete sequence of behaviour that through its outcomes aims at creating or supporting some type of value in the customer's life or business. A customer activity perspective on service opens up new possibilities for analysis in service research. By regarding activities as discrete units of behaviour, activities can be seen as having non-sequential relationships with each other. This allows researchers to analyse customer activity from a systemic point of view. Combined with a customer-dominant perspective on service, the presented approach allows researchers to understand the role of offered service elements as ingredients in the customer's life or business, reflected by the linkages between customers' independently maintained activities.

The perspective is new to service research, which has mostly focused on interaction. In the few literature streams that do take into account independent customer activity, either the scope or content of the term 'activity' is not defined (i.e. solutions research, practice theory), resources are in focus (resource integration), or the activity is seen as reflecting relationship engagement (customer engagement behaviour). Customer-dominant activity, however, is seen as reflecting themes in the customer's life or business, and thus takes into account relevant activities that are overlooked by interaction- or relationship-based approaches, and which other existing approaches cannot analyse systemically because the concept of customer activity has not been clearly defined.

Understanding activity profiles can have practical implications for both service design and communication. If the provider knows that certain service elements correlate with certain related activities, the service can be designed so that it supports the type of activity that the customer participates in beyond service interactions. Communication

can be harmonised with activity profiles, so that messages do not refer to related activities that the customer has no interest in. Beyond service management, design and communication, network representations of customer activity can be used to discover opportunities for innovation, uncovering unknown related activities that a provider could support. It may also have implications for research on resource integration, as the approach structures customer activities in a way that emphasizes the links between activities. Thus, it can potentially be used to illustrate resource flow within the customer's processes.

## **10 LIMITATIONS AND FURTHER RESEARCH**

The survey measures self-reported behaviour, which introduces the risk of self-report bias: research has found that respondents tend to underreport behaviours deemed inappropriate, while overreporting appropriate behaviour (Nancarrow *et al.*, 2001; Donaldson and Grant-Vallone, 2002). However, in the context of gambling research, evidence suggests that social desirability bias has an effect on self-report data about problem gambling, but not on self-reported gambling behaviour such as the frequency of gambling (Kuentzel *et al.*, 2008). This indicates that problem gambling is a more sensitive subject for respondents than frequency of gambling. A more critical limitation is that it may be difficult for respondents to accurately assess the frequency of their own behaviour. However, as the study only aimed to correlate activities with each other, an approximation of frequency is sufficient.

The paper is also limited by focusing on customer activity from a strictly behavioural point of view. Beyond the behavioural aspect, customer activity profiles can be assumed to reflect different types of value-creation strategies, motives and experiences. Future research could investigate experiences of value within customer activities, and for example try to locate the central elements that contribute most to the value experiences in a network of activities. Another avenue of research is to investigate how experiences that emerge within independent customer activities harmonise with provider assisted ones. Furthermore, the different types of links between activities should be investigated, for example resource links. Thus, a customer-dominant view of customer activity opens up many new opportunities for service researchers to understand how customers use service.

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**ACTIVITYSCAPE MAPPING:  
CONSUMER ACTIVITY SYSTEMS AS SERVICE CONTEXT**

**JACOB MICKELSSON**

**ESSAY 3**

## **Abstract**

**Purpose** – The aim of this article is to investigate how consumers experience value through their activities, and how services fit into activity system contexts. Activity systems are the cognitively linked groups of activities that consumers carry out as a part of their life. A new technique for illustrating consumers' activity systems is introduced.

**Design/methodology/approach** - The technique introduced in this paper consists of identifying a consumer's activities through an interview, then quantitatively measuring how the consumer evaluates these activities on three dimensions: Experienced benefits, sacrifices and frequency. This information is used to create a graphical representation of the consumer's activity system, an "activityscape map". Activity systems work as infrastructure for the individual consumer's value experience.

**Findings** – The activityscape representation provides an overview of consumers' perceptions of their activity patterns and the position of one or several services in this pattern. Comparing different consumers' activityscapes, it shows the differences between different consumers' activity structures, and provides insight into how services are used to create value within them.

**Research limitations/implications** – The paper is conceptual and the empirical illustration indicates the potential in further empirical studies.

**Practical implications** – The technique can be used by businesses to understand contexts for service use, which may uncover potential for business reconfiguration and customer segmentation.

**Originality/value** - The paper contributes to value and service literature, where there currently are no clearly described standardized techniques for visually mapping out individual consumer activity. Existing approaches are service- or relationship focused, and are mostly used to identify activities, not to understand them.

*Keywords:* Service; value; activityscape; consumer activity systems; service-in-context; value-in-context

## 1 INTRODUCTION

Due to changes in technology, consumers are getting increasingly empowered in terms of how they can interact with companies. Information is readily available, and consumers can choose, learn and contribute in ways previously unimaginable. Even though marketers have acknowledged the importance of understanding the consumer as an active participant in the market system (Normann, 2001; Stewart and Pavlou, 2002; Vargo and Lusch, 2008; Beckett and Nayak, 2008), there have been few efforts to systematically understand and illustrate the consumer's structures of activity. In order to understand consumers as active participants in the market system, marketers need new tools for understanding how service is embedded in the context of consumer activities and how the value of different activities is experienced.

There is in marketing a long tradition of writers that specify value as something that emerges *within the customer's activities* (Abbott, 1955; Alderson, 1957; Boyd and Levy, 1963; Woods, 1981; Holbrook and Hirschman, 1982). There has recently been a renewed interest in this view (Normann, 2001; Holbrook, 1994, 2005, 2006; Grönroos, 2008). Many researchers hold that the value that emerges within activities is relativistic and context dependent (e.g. Schembri, 2006; Holbrook, 2006; Vargo and Lusch, 2008; Ravald, 2008), and that it is created by customers for themselves using resources offered by a company (Normann 2001; Ravald, 2008; Grönroos, 2008; Vargo, Maglio and Akaka, 2008). This means that the customer can be seen as an active integrator of information and services (Normann, 2001; Vargo, 2008). Because of this, the role of the company has shifted from being a producer of value to a *supporter* of value (Grönroos, 2008). Customers want to do certain activities, and often need (or want) to interact with companies to be able to do them. As customers use the company's resources within their own activities, they evaluate these resources according to how well they enable or support them (Ravald, 2008). According to this view, value is experiential and subjective (Sandström *et al.*, 2008). Positive value can be said to emerge for customers when they are able to do something that they enjoy or feel that they need to do – to realize a desired activity of some kind.

Given that consumers seek to create experiences of value for themselves through activity, and that different activities are interlinked by supporting and complementing each other, we need to find ways to observe and analyze consumers' activity systems. Businesses that know what role their services have in their customers' activity systems can adjust their service accordingly. Current consumer activity mapping mostly focuses on tracing the direct interactions between a customer and company (through purchase data in CRM systems, for example), or on understanding the different types of scenarios that customers face when they are completing a particular task (Seybold, 2001; Bitner *et al.*, 2008). Furthermore, such activity maps are typically only used to *identify* the activities, not to analyze them for their *meaning* or *value*.

This paper proposes the concept of the "activityscape" as a tool for visually depicting and analyzing the value dynamics in consumer activity systems. Inspired by Normann's (2001) view of the customer as an active integrator of services and the network representations of the IMP-group, this paper introduces the Activityscape Mapping technique. The technique provides a structured approach for identifying and illustrating consumer activity systems from the consumer's own point of view, thus providing context for service use. It adds upon existing activity mapping techniques by addressing the customer's understanding of sacrifices, benefits and frequency of the individual activities, thereby indicating which part of the system drives the customer's

value creation. The graphical presentation style draws on hierarchical value mapping techniques, but instead of focusing on product- or service features, the technique shows consumer activities and how the consumer experiences their value. This paper contributes to service research by highlighting the consumer's activity systems as context for service, and by providing a tool for analyzing them. The paper begins with a review and discussion of approaches for analysing consumer activity systems, continues with a presentation of the activityscape approach, and ends with an illustration of the technique where it is used to map the wine-related activity systems of two wine consumers.

## 2. VALUE-FORMATION IN CONSUMER ACTIVITY SYSTEMS

Recent service research has taken an interest in the contexts of service and value formation. The terms “asset-in-context” (Normann, 2001) and “value-in-context” (Vargo, 2008) have been suggested to account for how the experience of value can vary according to the context where it is realized. Context is often defined as the situational context, such as time or place of the service encounter (Heinonen, 2004) or the physical or social setting of the encounter (Gupta and Vajic, 2000). Another way of defining and understanding the context of a service is to take a wider perspective and to look at the consumer's life beyond the service situation (Heinonen *et al.*, 2009). Boyd and Levy (1963) have suggested that marketers should consider the “total task” (p. 130) of consumption, which means looking beyond the core activity itself and taking into account the whole progression of activities that lead up to the final phase. Often the core of an activity system may be a single task (such as painting your room), but it may also be some ongoing concern, such as managing your personal economy.

When consumers are successfully able to engage in an ongoing concern or complete a particular task, they will experience value (Ravald, 2008). Consumers' experiences of value are a complex issue, and one that can be tackled from many different points of view (Schembri, 2006; Sandström *et al.*, 2009). Usually, value is analyzed on a short-term level, looking at how it is realized during the interaction between a consumer and a product (or a consumer and a service) (Holbrook, 2006). When stringing together many such encounters and interactions, we shift to viewing value creation from a relationship perspective. But from the consumer's own point of view, service- or product encounters are only *a part* of all the activities that they do in order to arrive at some desired end-state. If we add the related activities that consumers do independently – the ones that happen beyond the interactions with a company – our perspective shifts to what Sawhney (2006) calls an ‘activity chain’ or ‘activity cycle’. This broader approach focuses on understanding what the consumer does before and after he interacts with a company or its offering, and the cognitive structures that guide this action. The challenge then becomes to understand how the consumer thinks about a particular task. Sawhney (1999) call this the ‘metamarket’ approach:

Metamarkets [...] are clusters of cognitively related activities that customers engage in to satisfy a distinct set of needs. They are markets in the minds of customers. (Sawhney, 1999, p. 119).<sup>6</sup>

From the metamarket point of view, value emerges throughout the interplay between different related consumer activities. Every activity contributes, and the full experience of value slowly forms over time. Ravald (2008) summarizes the process as follows: The customer carries out activities, which may or may not be assisted (or enabled) by a

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<sup>6</sup> Metamarkets are also mentioned in Kotler and Keller 2006, p 12.

company. The customer's activities will result in experiences of value, which are both subjective and context-dependent. Over time and through a sequence of events, the customer's overall experience of value will accumulate and change. From this perspective, marketers should identify the system of activities through which the consumer creates value for himself, and then consider how their service fits into this system. In order to understand this dynamic system, marketers need to investigate what related activities customers carry out outside individual service encounters, i.e. by mapping the customer's activity systems.

### **1.1. Mapping consumer activity systems**

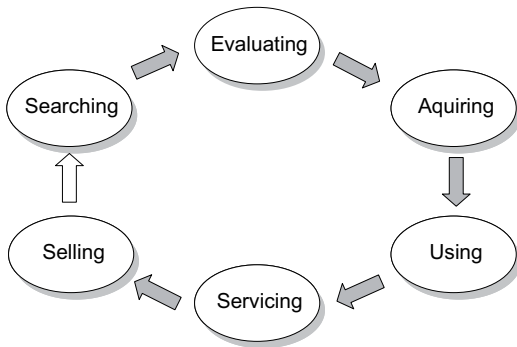
Currently, there are three approaches within service research for mapping and illustrating customer activity systems: Customer action mapping (Bitner *et al.*, 2008; Patrício *et al.*, 2008), website use and purchase data analysis (Nasraoui, 2008; Sumathi and Sivanandam, 2006) and customer scenario mapping (Seybold 2001, Sawhney 2006). These approaches reflect two different perspectives on activity: A service encounter-focused perspective and a customer goal-focused perspective.

Service research has traditionally focused on service encounters. Within encounters customer activity is most easily understood in terms of actions. Service blueprinting (Bitner *et al.*, 2008) employs customer action mapping, which aims at identifying all the individual actions that a customer typically carries out while using a service. This map is used to develop blueprints for the company's service system, which ultimately should support a favorable customer experience (Bitner *et al.*, 2008; Patrício *et al.*, 2008). Action mapping allows only for limited customer agency and is kept strictly within the boundaries of the company's own service system. The same is true for online services, where customer activity typically is monitored with tools that keep track of how customers use a website (Nasraoui, 2008; Hofgesang and Patist, 2008). Information technology has also made it possible to monitor customer activity from a relationship perspective (Sheth and Parvatiyar, 2000). Individual customer activity can be tracked over time through purchase information stored in databases (Sumathi and Sivanandam, 2006). The drawback with electronically monitoring customer activity is that it only shows interactions between the consumer and the provider in terms of clicks and buying, and as such provides no insights into what the customer ultimately tries to achieve. Rather, it shows what parts of the existing website or offering that customers use.

Customer scenario mapping (Seybold, 2001; Sawhney *et al.*, 2004; Sawhney, 2006) has tried to address this problem by analysing what customers are trying to achieve with their activities. Interviews with customers provide material for creating generic scenarios of the activities that a customer needs to carry out to be able to get to a particular end state. These scenarios are typically presented as linear sequences of separate activities, where the customer moves from one activity to the next. Sawhney (2006) has presented customer activity as a cyclical process, where the final activity in the sequence eventually leads back to the first one. The customer activity cycle begins with "pre"-activities (such as seeking information, deciding what to do and purchasing), "during"-activities (such as using or operating), and finally "post"-activities (such as reviewing, renewing or extending). The activity system presented in Figure 1 shows an overview of a generic activity cycle as described by Sawhney (1999, 2006) (in this case car ownership), where the consumer combines the services of many different service providers to complete one task. Thus, Sawhney (1999, 2006) analyses consumer activity chains as a part of some cognitive structure, while service blueprinting, website



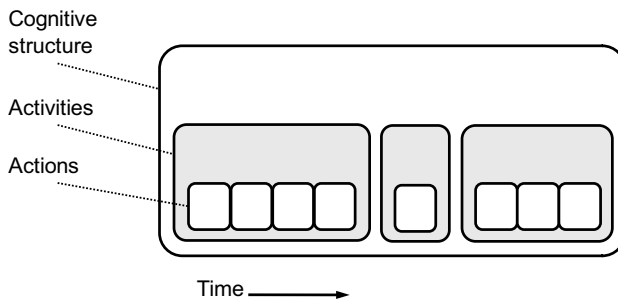
use and customer purchase data analyses the customer's actions within some particular service setting or relationship.



**Figure 1 The Customer Activity Cycle (adapted from Sawhney, 1999 and 2006)**

## 1.2. Levels of analysis

The aforementioned approaches reflect two different levels of analysis: Customer actions and customer activity. A framework for understanding these levels can be found in B-to-B research, where company relationships are analyzed in terms of sequences that consist of episodes. Within episodes, actors carry out individual actions (Holmlund, 2004). If applied to a consumer context, an episode could be “going to the store”, while a corresponding action could be “standing in line at the store's cashier”.



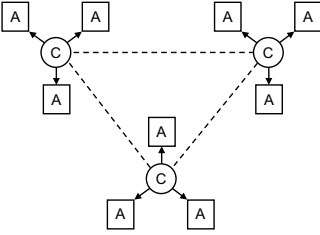
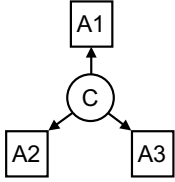
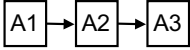
**Figure 2 Cognitive structure, activities and individual actions (adapted from Holmlund 2004)**

Figure 2 illustrates Holmlund's (2004) framework, as adapted to a consumer perspective. In this paper activities are defined as customer-initiated episodes that consist of individual actions. The activities are part of some cognitive structure (Sawhney's “metamarket” [1999]), and can be carried out either independently, or may demand company interaction. From this perspective, the context of a service is the constellation of cognitively related activities that a service is being used in.

### 1.3. The themes of activity systems

To be able to map out a consumer's activity system, its theme or focus must be decided. As indicated above, the classical way of understanding the theme of an activity system is to consider it as a series of steps oriented towards fulfilling some goal or task (Boyd & Levy, 1963), or as an activity cycle that facilitates the use of a particular type of service or product (Sawhney, 2006). The motivations for these activities have generally been explained in terms of means-end chains (Gutman, 1982). According to the means-end view, consumers seek out products or services with certain attributes, which will render consequences that are compatible with the consumer's values. This view has mainly considered consumer activity in terms of purchase and use, which delimits the activity system to linear task fulfillment: The activities form a chain where each activity builds upon the previous, until the task is completed. But if we instead delimit the boundaries of an activity system in terms of striving towards more general goals than fulfilling a single task, we need to stop thinking in terms of chains and start thinking in terms of activity constellations. As consumers engage themselves in goals, they carry out particular tasks. Tasks are often repeated and may become reoccurring and stable parts of the consumer's ongoing activity structure.

Pieters *et al.* (1995) have divided consumer goals into hierarchical levels, and argue that consumer activity can be understood by investigating *what* consumers are trying to achieve, *how* they are doing it and the reasons *why*. For the purpose of delimiting activity systems, the focal goal ("what?") and subordinate goals ("how?") are directly related to the types of activity a consumer is involved in, and can be used for delimiting activity structure. Table 1 shows how the chosen level of analysis in of Pieters' *et al.* (1995) goal hierarchy is reflected in activity system types.

Delimitation	Type of activity system	Graphical illustration
Focal goal <i>Ex.: Losing weight</i>	<b>Groups of activity constellations</b> that support the focal goal (“what?”)	
Subordinate goal <i>Ex.: Dieting or exercising</i>	<b>Activity constellation</b> that supports ongoing work on subordinate goal (“how?”)	
Task <i>Ex.: Acquiring gym membership</i>	<b>Activity chain</b> that is required for completing a particular task that supports the subordinate goal.	

**Table 1** Delimitation of activity systems (adapted from Pieters et al., 1995)

Existing activity mapping techniques (Bitner *et al.* 2008, Seybold, 2001; Sawhney *et al.*, 2004; Sawhney, 2006) are at the first level of table 1. They employ a linear mindset and are usually concerned with a single task, such as a service encounter or the purchase and ownership of a product. But if we move up a step in the goal hierarchy, we need to shift from a linear perspective to a structural perspective, where consumers maintain a set of activities that support the focal goal, and are executed whenever it fits into the rest of the consumer’s life. This can be said to form an activity constellation. The structure is not linear, because the activities can be carried out in any order. An exercise constellation could, for example, consist of going to the gym, reading health blogs, jogging etc. From this perspective, the question of delimitation becomes a matter of deciding the level of generality of the goal that is investigated. The goal of “jogging regularly” belongs to the goal of “exercising”, which belongs to “taking care of your body”, which in turn belongs to “feeling good about yourself”. The more general the goal, the more complex the activity system will be. From a manageability point of view, too general goals may be difficult to investigate, which is why activity mapping probably will work best on a subordinate goal level. Furthermore, as shown in research

on consumer values (Sheth *et al.*, 1991), consumers can maintain many parallel, sometimes even conflicting values and goals. Exercise can, for example, besides health goals also have social dimensions. To reflect this, models that allow marketers to see beyond the traditional single-goal, linear activity sequences are needed.

Such models can be found in the B-to-B literature. Business-to-business research has a long tradition of non-linear approaches. Within the research tradition of the IMP-group, business networks are analyzed by creating maps of market actors, their activities, and the resources exchanged between them (Anderson *et al.*, 1994, Håkansson and Snehota 1995). This type of illustration has already been applied to a business-to-consumer setting with Normann's "value star" (Normann, 2001), Gummesson's "C2B networks" (Gummesson, 2004) and Vargo's "customer supply chain" (Vargo, 2008). But the focus has in these cases been on actors, not activities. To fully capture the consumer's 'metamarkets', the actor perspective must be changed to an activity perspective. This means mapping out the relationships between a consumer and a set of *activities* instead of a set of *actors*.

#### **1.4. Identifying value in activity systems**

Consumer value is in this paper defined as the mix of perceived sacrifice and benefit that a consumer experiences in connection to carrying out a desired activity. The outcome of this experience is an understanding of value, which arises over time and is relative to a context of other activities that support same overall theme. A company's offering is evaluated mainly according to how well it works as a resource within the desired activity context – how well it supports or enables what the customer wants to achieve.

How can we then identify the value that arises within an activity system? The challenge becomes to bring value to an appropriate level of abstraction and simplicity. The dominating definition of perceived value describes value as a trade-off between benefits and sacrifices (Zeithaml 1988, Monroe 1990, Oliver 1997, Flint, Woodruff and Gardial 2002). Negative and positive aspects of an activity are weighed against each other and the more consumers end up on the positive side, the more value they experience. But research has shown that the matter isn't entirely straightforward. The relationship between benefits, sacrifices and perceived value is in fact complex, and cannot be calculated simply by subtracting sacrifices from benefits (Graaf and Maas 2008). Perceptions of benefits are subjective and context bound (Schembri 2006, Vargo and Lusch 2008) and so are perceptions of sacrifices. Sacrifices are usually thought of in terms of monetary cost, but besides money, customers also sacrifice time, energy and effort to enable their activities (Zeithaml 1988). These types of sacrifices are interchangeable but – as noted by Raval (2008) – the "exchange rates" may vary from person to person.

Thus, sacrifices and benefits are both multi-faceted and subjectively interpreted by the consumer. Heironen and Strandvik (2009) take the argument even one step further, criticizing the a priori categorization of what constitutes a sacrifice and a benefit, arguing that a decrease in benefit can be experienced as a sacrifice by the customer (and vice versa). So, to truly capture consumer or customer value, activity maps need to be in line with research that specifies the customer's *experiences* as the ultimate outcome of service (Carú and Cova, 2003, Schembri, 2006, Sandström *et al.*, 2009).

**Experienced benefits.** Benefits have been classified in many different ways (Holbrook, 2005; 2006), and it is challenging to find specific dimensions to display in an activity map. Due to this, it may be easier to measure benefits on a general level. One basic and general division that could be used is Alderson's (1957) division into congenial and instrumental value, later referred to as the division between *hedonic* and instrumental value (Batra and Ahtola 1990, Voss, Spangenberg and Grohmann 2003). This basic division is arguably valid across most cases of consumer activity. To capture the hedonic and instrumental dimensions of activity, consumers could be prompted to evaluate their activities on the dimensions of "importance" and "fun". The combination of these two should give a basic reflection of the experienced benefits of an activity. An activity that is only seen as important but not fun is likely to have a strongly instrumental function, while activities that are experienced as fun have hedonic qualities. Measurement of importance and fun can for example be done by using a relative approach, where the consumer is asked to compare activities with each other.

**Experienced sacrifice.** Money is a symbolic way to store sacrificed time and effort, and because of this all three can be analyzed more or less on equal terms (Zeithaml 1988, also see Okada and Hoch 2004 and Johnson 2008). Furthermore, every consumer experiences costs and sacrifices according to individual and situation-bound reference points. This means that it from a consumer perspective is misguided to try to measure any "objective" cost of doing an activity (such as measuring the exact amount of money spent or length of time used). From the consumer's point of view, the only important thing is whether an activity *feels* expensive or effortful. A map that shows experienced sacrifice should thus show the mental "obstacle" in the consumers mind to doing this activity. How distant does fulfilling a particular activity seem in terms of what the consumer needs to sacrifice?

### 1.5. The frequency of activities

The frequency of an activity can be seen as a multiplier for value. Every time an activity is carried out, the experience of value produced by the activity is repeated. The current discussion of value is mostly focused on understanding experiences of value as individual occurrences and does take into account repetition (Holbrook, 2006). A relationship view demands a time dimension, and thus a map over the relationships between a consumer and a set of activity should contain some indication of frequency. Furthermore, an activity which is done frequently is likely to have a salient place in the consumer's mind. The more times it has been completed, the more entrenched it is in the consumer's brain (Pirolli and Anderson, 1985). Behavior that has been repeated many times is likely to continue in a similar manner, unless changes in life context happen (Ji and Wood, 2007). By understanding how often and since when a consumer has been doing an activity, we get a picture of how entrenched this particular behavior pattern has become in the consumers mind. Thus, the frequency dimension can be seen as mirroring the concept of relationship strength, but from a consumer activity perspective.

## 2 THE ACTIVITYSCOPE MAPPING TECHNIQUE

This paper introduces a new approach to capturing and visualizing the consumer's systems of activity and the value emerging within these activities: The "activityscope" technique. The term activityscope is inspired by Strandvik and Törnroos' "relationscapes" (1997) from the B-to-B network literature. Relationscapes are a firm's view of its relationship landscape, and include both *active* as well as *potential* business relationships. Transferring this logic to a consumer context, we can investigate the consumers' activity landscapes; the mental maps of activities that they do within a certain context area. Sawhney (1999) described these mental landscapes as 'metamarkets', markets that are not present in the physical world, only in the head of the consumer. These cognitively related activity systems can be illustrated by combining IMP-style network maps with the visual presentation of Klenosky and Mulvey's (1995) value maps.

To visualize how value is realized for consumers, researchers have traditionally used hierarchical value maps (Gutman 1982, Gengler *et al.*, 1995). These maps show product- or service features, the attributes of these features, and how they are connected to the terminal values of the consumer. This article departs from hierarchical value mapping by proposing that IMP-like maps are combined with the style used in Gengler, Klenosky and Mulvey's (1995) improved Hierarchical Value Maps. This way we can draw activity maps that contain more information than traditional activity maps, which usually only list the activities and then put them in some sort of chronological order. In Gengler, Klenosky and Mulvey's (1995) representations of consumer-reported values, the more frequently reported values and consequences are given bigger circles than the less common ones. A similar principle can be applied to visualizations of consumer activity, but brought down from an aggregate to an individual consumer level, so that the activities that a consumer considers more important have a larger circle than the less important ones.

### 2.1. Method

The methods normally used for this type of consumer research are either qualitative interviews designed to lay out linear processes of consumption and how the consumer feels about them, or standardized tests designed to understand the consumer's relationship to some particular product, service or other object. The activityscope technique combines these two methods into a hybrid, where a consumer's activities first are identified through an interview, and then are individually measured on a set of pre-determined dimensions using a questionnaire. The questionnaire provides numeric data for relating the consumer's activities to each other.

The interview is done in a structured manner, keeping the focus firmly on activities that the consumer does on a regular basis. The respondent is asked to try to think of all the activities he does that are relevant to some goal or theme chosen by the researcher. The informant can be assisted by asking about activities where she buys something, activities where she reads about things related to the theme (either online or offline), or whether she talks or writes about it. The aim should be to get an overview of the system of relevant, reoccurring activities within the context.

Having identified the significant activities, the next step is to quantify the differences between them. The respondent is presented with a set of identical questionnaires, one for each activity. Every activity is to be evaluated by the respondent on four separate dimensions: The first dimension concerns sacrifice, the second concerns benefit (reflecting the Zeithaml [1988] sacrifice/benefit view of value), while the third dimension measures time/intensity. By allowing the respondent to rate each activity within the consumption context separately on these dimensions, we get insight into the roles of the activities in the consumer's activity system. The questionnaire template can be viewed in Appendix 1. Items are graded on a seven point Likert-like scale.

**Dimension 1: Sacrifices associated to the activity.** The first six items on the questionnaire address sacrifices in terms of money, time and effort. The first question concerns the monetary sacrifice of doing the activity once, while the second concerns monetary sacrifice for doing the activity in the long run. Similarly, time is split up into two different items: One concerning how much time it takes to do the activity once, and another concerning the amount of time needed for travel in order to do the activity. This helps in highlighting the difference between activities that you can do at home and activities that you have to travel to be able to do. Finally, a measure concerning overall effort is also included to account for cases where the activity is both cheap and quick but still feels bothersome.

**Dimension 2: Benefits gained from the activity.** The next two items in the questionnaire address benefits gained from the activity by measuring perceived importance and fun. Importance and fun are measured by asking the respondent to place all his activities in a field between two extreme positions: First between the words "fun" and "not fun" and then between the words "important" and "not important". This forces the respondent to relate the activities to each other.

**Dimension 3: Frequency of the activity.** The final two items are intended to measure the historical bond that the consumer has with the activity. By asking how often and since when the consumer has been doing the activity, we get an approximate idea of how entrenched the activity has become in the consumer's mind. This also means that we are provided with a snapshot of the activities that the respondent sees as relevant at the moment, but the history of the activities are viewed from the perspective of the respondents whole life.

### 3 DRAWING THE ACTIVITYSCAPE MAP

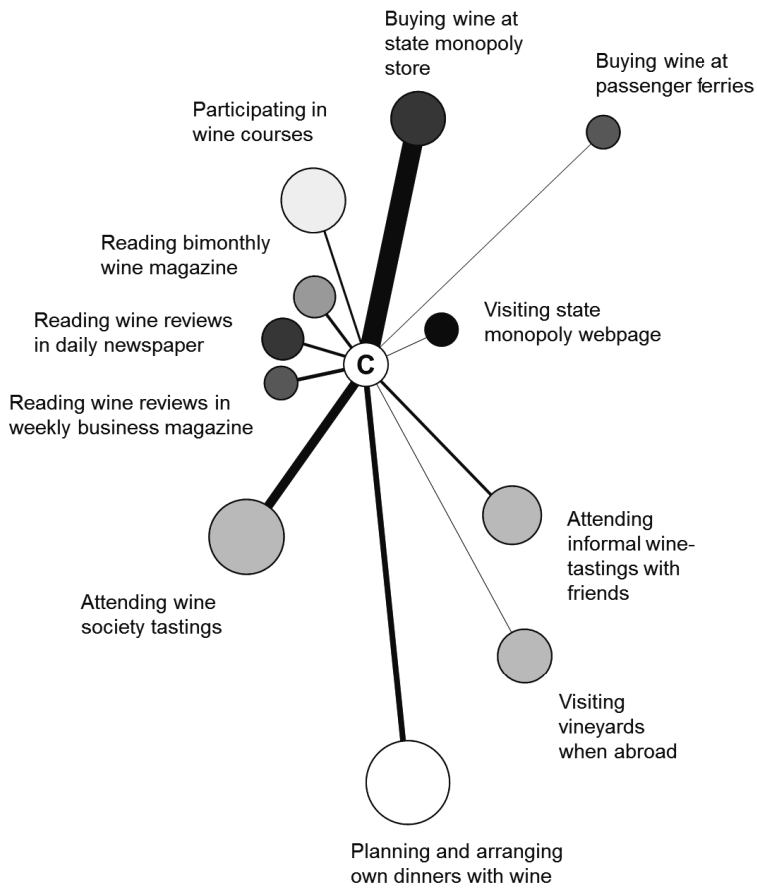
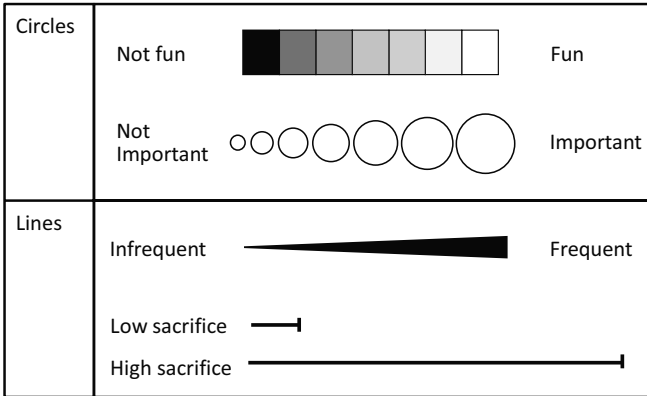
When data about the individual activities has been gathered, a graphical representation can be drawn. The proportions in the activityscape picture represent the sacrifice, benefit and frequency dimensions and are presented in a way similar to the IMP-approach, as circles connected with lines. The activityscape places the consumer as a circle in the middle, while the activities are placed around it, thus forming a centralized network (Baran, 1964). The length of the lines between the consumer and the activities signifies the sacrifices they require. Line length is calculated by adding together the values from items 1-6 in the questionnaire. To show importance, the sizes of the circles are made bigger or smaller. The data for determining the diameter of the circles is obtained by measuring how the respondent has placed the different activities between the extremes "very important" and "not at all important" in item 9 in the questionnaire. The more to the right the activity has been placed, the more important the activity, and

the bigger the circle in the activityscape. The thickness of the lines connecting the activity to the consumer shows frequency, i.e. the number of times the activity has been carried out. The more traffic a path has had, the wider it has become. The thickness is obtained by multiplying item seven (time since first occasion) with item eight (frequency).

### **3.1. Empirical illustration of the technique**

The approach was tested on a wine consumer. The respondent was an urban male, about 40, who saw wine as an important hobby. The respondent was interviewed with the aim of identifying the wine-related activities that he does on a regular basis. (This means that wine-related activities that only had been done once were left out.) He was assisted in thinking about his activities by questions regarding activities where wine plays a part, whether he reads about wine and how he gets his wine. During the interview, the respondent mentioned eleven different wine-related activities that he does regularly. Based on this set of activities, eleven questionnaires were created using the template in Appendix 1 and given to the respondent. When the questionnaires had been answered, the obtained data was used to calculate the proportions in the activityscape presented in Figure 3.



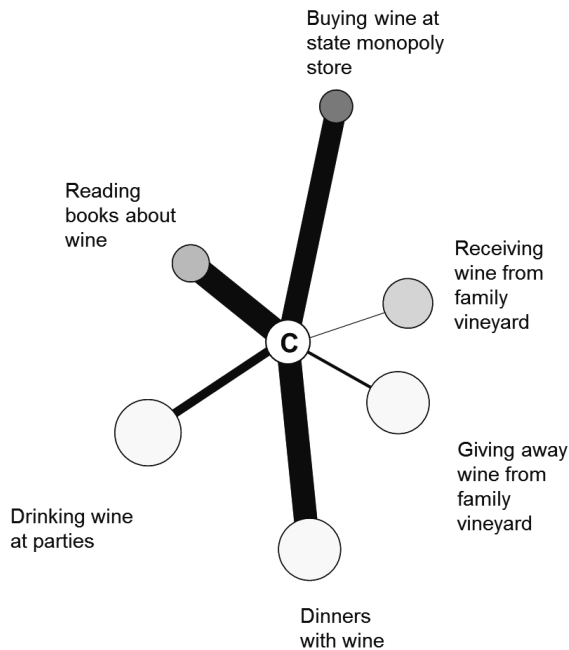


**Figure 3 : The activityscape of wine consumer 1**

This picture contains all the activities mentioned by the respondent in the interview. The circle in the middle of the picture represents the consumer. The properties of the different activities – as they were seen by the respondent – have been illustrated by the shapes and hues in the picture. The length of the lines show the perceived sacrifice needed to complete the activity. In the activityscape we can see that the respondent experienced the planning and realization of dinners with wine as one of the most demanding parts of his activity system. This activity requires a lot of time, money and effort, and is repeated about once a month. Because of this, the activity becomes expensive both on a long-term aggregate level as well as when viewed on individual terms. On the other hand, the respondent sees these dinners as his most *important* wine-related activity. Importance is shown by the size of the circle. In contrast, reading wine reviews and buying wine at passenger ferries (where the circles are small) are seen as the quite unimportant activities.

The hue of the circles shows whether the respondent considered the activity to be fun or not. Visiting the state monopoly store was not seen as much fun, while taking part in wine courses is quite a lot of fun. But not as much fun as the self-arranged dinners, which really seem to be the centerpiece of the system. Dinners scored high on both fun and importance, which indicates that they are highly benefit-bringing. This is balanced out by the high sacrifices required. The thickness of the lines connecting to the circles shows how many times a certain activity has been completed. The path to the state monopoly alcohol store is the most travelled of all in the system (regularly since the respondent turned 18), while the line connecting the respondent to winery visits is quite thin, as these visits happen quite seldom (about once every second year). The exact specifics of calculating the proportions will not be described here, as the activityscape only is a visual aid. Minimum and maximum sizes and thicknesses can be calculated as seen fit, as long as the proportions between the representations reflect the data.

The hues and proportions of the activityscape allow us to see the division between congenial and instrumental activities as described by Alderson (1957). Activities that are light are seen as fun, and can be assumed to have a strong congenial or hedonic element. The self arranged dinners seem to be the most congenial type of activity, implying that there is a direct relationship between the degree of instrumentality and the degree of fun of the activity as the consumer perceives trips to the state monopoly alcohol store as an undesirable chore instead of an enjoyable experience.



**Figure 4 The activityscape of wine consumer 2**

Figure 4 shows the activityscape of another wine consumer. This respondent is also male, but about ten years younger than the first one. Comparing the first activityscape with this one reveals differences. The second activityscape contains fewer activities than the first one, but many of the existing activities have been completed more frequently than in the first case. The reasons for the differences might be found in the respondents' differing relationships to wine: The first respondent has wine as a hobby, and thus consciously maintains a set of activities that support this hobby, even though they might not be carried out very frequently. The second respondent seems to have a more mundane and everyday relationship to wine, something that is emphasized by the family vineyard. Thus, the wine-related activities are cheap, frequent, and not very varied. The two activityscapes presented can be seen as two different types of context for service. If we view the state monopoly's services in context, we see that both consumers seem to dislike using them, treating them as simply utilitarian enablers, not as sources of congenial or hedonic experiences. If the state monopoly knew the different types of contexts that its services are used in, it might be able to find new ways of supporting the consumer's own value creating processes.

## 4 CONTRIBUTION

The purpose of this paper was to analyze how consumers create value for themselves through their own activity systems. The activityscape technique was introduced and used to illustrate the wine-related activities of two wine consumers. The technique revealed the general shapes of the respondents' activity systems, as well as the perceived differences in value between the activities. The technique, as it was presented in this paper, is primarily suited for understanding consumption of services on a long term level. Activityscape maps provide us with four insights. They help us to:

- 7) Identify activities that the consumer sees as relevant
- 8) Visualize the differences between how these activities are experienced
- 9) Understand the systemic whole
- 10) Identify the role of service within this system

If we view value creation as the consumer's process of carrying out activities with the help of different resources, maps of activity systems can help us understand how different activities support each other. This opens up the concept of value-in-context to not just incorporate situational contexts, but also long-term contexts for service. The value that arises within an individual activity may often only make sense within the system of related activities. Services may in some cases be the centerpiece of an activity system, and in other cases have a merely supportive function. The wine-consumption cases showed that the services of the state monopoly were required but not seen as producing valuable experiences as such. Indeed, many activities in the system were carried out regularly, even though they were not seen as being much fun or very important. This indicates that they have a more instrumental than hedonic function in the system. With this method it may be possible to discover different types of activity systems, and identifying the activities that consumers consider as central within them.

#### **4.1. Comparison to other methods**

Due to its different focus and methodology, the activityscape approach captures different types of information when compared to others approaches. Service blueprinting (Bitner *et al.* 2008) chooses the service encounter as arena for customer actions and is designed for analyzing service functionality. The activityscape takes a much wider viewpoint, stepping outside the service encounter and instead analyzing how the service fits into the customers long-time activities. Thus there is a difference in scope, time perspective and understanding of customer agency. The consequences of this are that service blueprinting is a method that can be used in service design, while the activityscape approach is more suited for strategic decision-making.

The Activityscape approach has more in common with the approaches of customer scenario mapping (Seybold, 2001; Sawhney *et al.*, 2004; Sawhney, 2006), where the timeframe includes many different service encounters. The difference is that customer scenario mapping is focused on some particular task or product life-cycle, while the activityscape is focused on a goal, life theme or area of interest. Thus, the main contribution, when compared to other methods, is that activityscapes focus on the customer's own contexts, while other methods disregard them. To truly understand the role of a service and the value made possible by it, a customer focus is crucial.

## **5 LIMITATIONS AND SUGGESTIONS FOR FURTHER RESEARCH**

The activityscape technique as described here only addresses two types of information: It identifies activities and provides rough measures of how the activities are experienced on a set of pre-determined dimensions. This means that information about

the *reasons* for activity is omitted. The activityscape map does not show what drives consumer activity; it could be compared with an electrical circuit map that shows a system's voltage potential, but not the reasons for it. The activityscape technique also omits the *flow of resources* in the activity system. In the wine-consumer case, for example, the state-monopoly store provides wine, which is used in social situations such as a dinner parties, where it is combined with the information gained from reading books and magazines. This can only be indirectly inferred from the activityscape map. Due to these limitations, further iterations of the activityscape technique should address reasons for activity and the resource flow within activity systems.

Future studies could use electronic versions of the activityscape technique in online surveys in order to get large-scale overviews of consumer activity. This might provide insight into different consumer activity styles, and could in the long term help categorize services according to how they fit into activity patterns. Furthermore, the method could be used in longitudinal studies to see how activity patterns form and change according to the life situation of the consumer. This would provide marketers with valuable information on how to communicate with their customers during different parts of their life-cycle.

## 6 MANAGERIAL IMPLICATIONS

The activityscape opens up new ways for businesses to understand what contexts their services are used in. The traditional focus on the consumer-company dyad may not provide all the information that the company needs for making strategic decisions: in fact it may give the company a false sense of self-importance. The activityscape provides decision-makers with a quick but efficient overview of what their customers are doing. When aware of this, the companies can adjust their offerings accordingly. The activityscape illustrates the customer's activity system by highlighting both actors and use situations, and thus lets the companies understand where they are needed and used. The activityscape may also open up companies' eyes for the potential for value reconfigurations as described by Normann and Ramirez (1993). By seeing where the company's offering fits into an activity system, managers have better chances of understanding potential for expanding or reorganizing the offering so that it better suits the customer's contexts and needs.

The activityscape does not just identify activities but also shows how they are experienced. Companies often let customers evaluate their services through questionnaires, but gain little useful information. Only when evaluations put into a context such as the activityscape do they make sense and become useful. Imagine that the customer uses the services of two different providers and combines their services within his activity system. Evaluations of how the customer sees the two companies as parts of his activity system provide valuable information about how the companies are doing. Businesses need to identify the general shapes of the activityscapes of their customers. By carrying out studies of the general shapes of customers' activityscapes, businesses can create activity based segmentation – not just segmenting by the transactions and contacts between customer and company, but segmenting according to what related activities the customer does outside the boundaries of the company.

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## APPENDIX 1: QUESTIONNAIRE

**[The following 8 items concern one particular activity in the activity system and are to be modified accordingly]**

1. How much time do you need to set aside from your everyday routines in order to complete this activity once? (In minutes, for example) \_\_\_\_\_
2. How much time do you need to use for traveling outside your everyday locations and routes in order to be able to do this activity once? (In minutes, for example) \_\_\_\_\_
3. Compared to the amount of money you usually spend in a week, do you consider it to be expensive to do this activity once?

**It is free of charge**      1    2    3    4    5    6    7      **It is very expensive**

4. Is this activity expensive for you in the long run? Please consider how much you pay for doing the activity during a typical year. Compare this to your other expenses. How does the activity compare?

**It is free of charge**      1    2    3    4    5    6    7      **It is very expensive**

5. Do you sometimes feel like you would want to postpone doing this activity because it feels tiresome?

**Never**                      1    2    3    4    5    6    7      **Often**

6. How much effort do you feel it takes to do this activity?

**No effort**                      1    2    3    4    5    6    7      **A lot of effort**

7. How long is it since you did the activity for the first time?

\_\_\_\_\_

8. Approximately how often have you done this activity since you started?

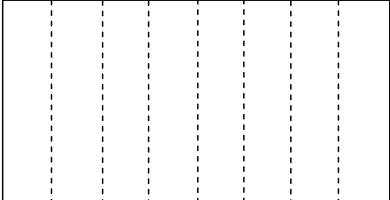
*(times a year, month, or week, for example)*

\_\_\_\_\_

[The 8 previous items are repeated for all activities.  
The following are presented only once]

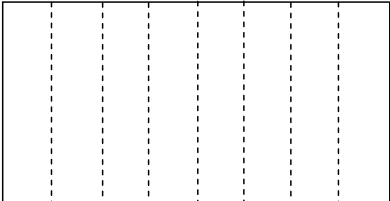
9. Place the following activities into the field below according to how *important* you feel that they are relative to each other. Place the activities so that the important ones are on the right side of the field, while the less important ones are placed more to the left.

*Activity A, B, C, D etc.*

**Not at all important**  **Very important**

10. Place the following activities into the field below according to how *fun* you feel that they are. The most fun ones go into the right side of the field, while the less fun ones go into the left side.

*Activity A, B, C, D etc.*

**Not at all fun**  **Very much fun**

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# JACOB MICKELSSON

## CUSTOMER ACTIVITY: A PERSPECTIVE ON SERVICE USE

Due to changes in technology, customers are increasingly empowered in their interactions with companies. Information is readily available, and customers can choose, learn and contribute in ways previously unimaginable.

Even though marketers have acknowledged the importance of understanding the customer as an active participant in service, there have been few efforts to systematically understand and illustrate the customer's structures of activity. Customer activity has within marketing traditionally been viewed as a response to inputs from the provider. Advertising, for example, is seen as having a persuasive function: It should result in the customer's activity of buying. Similarly, in service research, the customer's activities are considered to be either directed by service design or as inputs into an interaction process.

This thesis presents an alternative view on customer activity: It is a perspective on service use. In contrast to earlier perspectives, the customer activity perspective incorporates service as an enabling or supporting element in the customer's activities. The thesis defines 'customer activity' as a discrete sequence of behaviour that through its outcomes aims at creating or supporting some type of value in the customer's life or business. This definition enables new types of analysis. By identifying many separate

customer activities, service providers can uncover interlinked systems of activity. Customer activities are connected to each other through, for example, frequency links, functional links, resource links, temporal links, cognitive links or geographical links. The role of service is to enable customer activity and serve as an ingredient in the customer's interlinked systems of activity.

Consequently, the thesis takes a customer-dominant stance on service. Customers are seen as controlling and combining the services of different providers with each other to serve their own ends. Customer activity is presented as a focal concept for understanding this process. Moreover, customer activity is viewed as more than simply interactions with a service provider or inputs into realising a particular service. Rather, activities are elements that customers use to organize their own lives.

The thesis contains empirical examinations of the relationship between customer activity and service. These show that customers maintain different types of activity systems, and that the same service can play different roles in the life of the customer. Service providers can use this information as input for service design, communication and customer segmentation.



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