

# DETERMINING VALUE DIMENSIONS FOR AN ALL-ENCOMPASSING SERVICE EVALUATION

<forum session: Service-Dominant Logic>

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**Purpose** – All along its evolution, service logic strongly focuses on the meaning of service value and where it resides within a service development process, shifting from its conception as a service attribute to be created by the service provider to a focus on value-in-use and value-in-context as elements emerging from the user experience.

The purpose of this paper is to reflect upon how to determine value dimensions emerging from each value creation sphere in order to evaluate the overall service performance both from a provider and a user perspective.

**Design/Methodology/approach** – The authors explore in parallel service logic studies in the field of marketing and management and evaluation studies in the field of social sciences in order to define a service evaluation model. The model will be exemplified through the application to a service in the healthcare sector. Final considerations will be done upon the use of the model as a tool for shifting the reflection on value creation from theory to practice.

**Findings** – Even though in theory of service logic there is a quite clear understanding of service value creation dynamics for all the actors involved (provider, user and other stakeholders), evaluation in the service field is still focused on evaluating processes mainly from a provider perspective. A systemic vision determining the value of the overall service performance is missing. Considering evaluation as a process aimed at a critical analysis of data collected to support a judgment, with the purpose of triggering a change in what is being evaluated, the paper proposes a reflection within the value creation spheres based on three different evaluation moments (*ex-ante*, *in-itinere*, *ex-post*) and considering both a provider and a user perspective. The output consists of an evaluation model that reflects upon how to determine and evaluate value dimensions that are meaningful for the service provider in value-facilitation activities and for the service user in value-creation activities, thus gaining understanding of service value from both perspectives in the so called co-creation sphere.

**Research limitations/implications** – The authors bridge service studies and evaluation studies to start approaching the concept of service evaluation as a further development of service logic.

**Originality/value** – The paper faces the service evaluation issue from a service logic perspective, introducing a new topic in the field and a way to approach it thanks to a reflection upon the process of determination of service evaluation objects and value dimensions.

**Key words** – service evaluation, service value, value dimensions, evaluation design, service logic

**Paper type** – Conceptual paper

## Introduction

Historically, during the development of economics and the emergence of issues about how to treat services in contrast to goods, a discrepancy in the understanding of value and value creation has aroused. The concept of value has been strongly debated since the so-called Goods-Dominant Logic (which defined value as utility) emerged, starting from the comparison of value-in-exchange and value-in-use.

With the development of economic science, scholars finally focused on the primacy of value-in-use on value-in-exchange (Vargo and Morgan, 2005) for determining the value of a service. With the rise of the Service-Dominant Logic this primacy of value-in-use became more and more evident, since in services value is created interactively, it is *co-created*, through integration of resources and interactions between multiple actors (Vargo and Lusch, 2004, 2008 and 2014). According to Vargo and Lusch (2014: 21)

*“[...] value is something uniquely and phenomenologically determined by the actor as beneficiary. This value is not only a function of the resource the firm exchanges with another actor, but also a function of how this actor integrates other resources with this resource offering”.*

This statement suggests the introduction of another concept, that of value-in-context, referring to the idea that value is strongly context dependent and not necessarily co-created but rather contingent on the integration of other resources and actors (Vargo and Lusch, 2008; Chandler and Vargo, 2011). Thus, *“value creation needs to be viewed in the context of social systems in which value is created and evaluated”* (Vargo and Lusch, 2014: 23).

However, scholars such as Grönroos and Voima (2012) asserts that a consistent understanding of value and value creation is still missing, and even that current marketing terminology still implies the firm’s dominant position on value creation. On the contrary, other researchers such as Heinonen et al. (2010) argues that both value and value creation are controlled by the customer, in accordance with the value-in-use primacy and the co-creation of value characterizing the Service-Dominant Logic. And in agreement also with the shift towards a customer-dominant perspective that affected marketing principles since the economic expansion that followed World War II addressed the focus on customers’ choices and satisfaction (Alderson, 1957; McInnis, 1964). With the shift toward Service-Dominant Logic also the concept of service quality moved the focus of the firm, from being understood in terms of manufactured quality, to the perceived evaluations of the customer. This attention to customer satisfaction and as a consequence to service quality as a consumer’s perception suggests a first attempt of evaluation from marketing scholars which unfortunately was no further deepened in service logic literature.

However, except for customer satisfaction, little attention has been given to value dimensions characterizing a service and emerging from creation by different actors involved. What constitutes value in a service for the provider and the customer? How and by whom is value experienced? How may this value be measured and communicated? How does this value affect service innovation and improvement? As Grönroos and Voima asserts (2012), the difficulty in answering these questions may be caused by the fact that before value is determined or assessed by the customer or by any other beneficiary, it must be perceived or experienced. This generates a complex framework where time and actors of value generation must be considered to understand what can be evaluated in a service in order to address the creation of value.

The purpose of this paper is to explore what value consists of in the three value creation spheres (provider, customer and joint spheres) in order to identify value dimensions and understand their link with evaluation, for determining an all-encompassing evaluation of the service both from the firm’s and the customer’s perspective. In order to do so, it is also important to clarify what evaluation means and when it can be applied in a service development process. The term “evaluation” is in fact considered a catch-all term, that can be applied to several contexts, situations and activities (Morrison, 1993). The definition we adopt comes from evaluation studies in the field of social sciences.

A model is built, matching value dimensions in the three value creation spheres with three moments of evaluation (*ex-ante*, *in-itinere* and *ex-post*) and a discussion is done upon emerging results, with the scope of individuating key elements of a service to be evaluated from the service provider and the service customer perspective.

## The concept of value in Service Logic

Service Logic can be seen as an analytic framework, within which service is understood as a perspective on value creation where value is co-created by customers and other actors. In the critical service logic literature, it is suggested that value creation processes in service can be divided into three spheres of value creation (Grönroos and Voima, 2012). There is a *provider sphere*, a *joint sphere*, and a *customer sphere*.

In this model of spheres, the provider sphere is not available to customers, and in congruence with this the customer sphere is not available to providers. It is considered that the provider is a value facilitator, and a producer of resources to be used (or integrated) into customer's value creation (*ibidem*). As a consequence it is said that there is no *real* value produced in the provider sphere, merely *potential* value. This is in line with the view that resources are becoming (Zimmermann, 1951; Pels et al 2009). That is, the potential value of a resource is transformed into real value when the resource is used. This usage is often referred to as resource integration (Vargo & Lusch, 2008). Based on the service logic literature, the focus of an evaluative perspective of the provider sphere should at least be on the resources produced, their intended role in a service process, the production of these resources, the planning of the service process that can be done, and the outcomes of activities in the joint sphere that has effects on the provider sphere.

In the customer sphere the customer is regarded to be an independent value creator, directly creating real value (Grönroos and Voima 2012). There is no direct interaction with the provider, but Grönroos and Voima (2012) still regard the provider as a value facilitator for the customer sphere.

*"Therefore, the customer sphere is defined as the experiential sphere, outside direct interactions, where value-in-use (real value) emerges (is created) through the user's accumulation of experiences with resources and processes (and their outcomes) in social, physical, mental, temporal, and/or spatial contexts."* (Grönroos and Voima, 2012:142)

Based on the service logic literature, the focus of an evaluative perspective of the customer sphere, should at least be on the resources that the customer produces, their intended role in a service process, the production of these resources, the preparations to participate in service processes, and the outcomes of activities in the joint sphere that has effects on the customer sphere.

The joint sphere is a sphere where customers and providers interact, and Grönroos and Ravald (2011) claims that only the activities in the joint sphere should be considered as value co-creation activities.

*"By understanding the customer's practices and how the customer combines resources, processes, and outcomes in interactions, the service provider shifts from a mere facilitator to a co-creator of value."* (Grönroos and Voima, 2012: 141).

It is generally regarded that value is created by and for the customer, but there is also value created for the provider. This can be information on failures in the service process, or information about the customer, for example.

*"The service provided by the firm is mandatory for the customer, whereas the service provided by the customer is optional for the firm"* (Grönroos and Ravald, 2009:5)

Based on the service logic literature, the focus of an evaluative perspective of the joint sphere, should at least be on the usage of resources (and potential non- or mis-use), and the values co-created.

Before exploring the link between value creation and evaluation the meaning of evaluation we adopted is introduced to address the issue and develop a model for determining what can be evaluated in a service and for which value objectives.

## Brief overview on evaluation: objects, times and perspectives

According to the definition of evaluation in the field of social sciences, evaluating is a cognitive function that everybody has and uses facing everyday situations (Bezzi, 2007). But to determine the value of a planned programme or activity, situated for example in a social environment or in a business organization, the evaluation process does not only aim at expressing a judgement. This judgement must be supported by a solid reasoning, based on shared evidence in order to be reliable (Scriven, 1991; Bezzi, 2007).

Evaluation is a critical process aimed at analysing data collected for debating it, with the purpose of triggering a change that allows improving or replicating what is being evaluated (Bezzi, 2010). Data collected must then have a conventional nature for the evaluation to be trustable and sharable (Scriven, 1991). Evaluation is a conventional system among decision-makers, the evaluator and eventually other actors involved (Patton, 1990). In this meaning, evaluation has a double vocation (Weiss, 1997): that of the *truth* because it supports decision-makers by creating a knowledge which merges the observation of a complex set

of aspects, and that of the *utility* because it enables the building of a conceptual framework useful for future planning. As Patton (1998) asserts evaluation generates a learning process that invests all the people involved.

For these reasons evaluation needs to be designed in relation to the specific context in which it takes place. Social sciences scholars affirm that designing an evaluation strategy means considering the mental process leading the evaluator to concretely realize the evaluation research (Cronbach, 1980; Patton, 1990 and 1998; Connell & Kubisch, 1998; Rossi, Freeman & Lipsey, 2004, Stame, 2011). There is a systemic unity that must be understood and that will guide the construction of the evaluation process, also justifying every methodological choice (Hyman, 1955; Palumbo, 2001; Bezzi, 2010).

The design of an evaluation strategy includes several elements that must be defined by the evaluator for conducting a useful and trustable evaluation. These elements are: the object of evaluation (what is evaluated and why), the time of evaluation and the perspective of analysis according to actors involved in the activity to be evaluated (Bezzi, 2007 and 2010). Taking for granted that the evaluation we are talking about has an arguing and not an assertive role (i.e. giving an argumentation to be debated for enabling a change and not just asserting the state of the art of what is being evaluated as a sort of arbitral truth), defining the object of evaluation together with people asking for the evaluation (usually decision-makers) is the first step to be done in designing an evaluation strategy. Evaluation studies assert that this object (in a social context) can be clustered in three main categories (Bezzi, 2007): physical standards, individual performances, processes and organizations. Considering the complex nature of services, defined as

*“a process consisting of a series of more or less intangible activities that normally, but not necessarily always, take place in interactions between the customer and service employees and/or physical resources or goods and/or systems of the service provider, which are provided as solutions to customer problems”* (Grönroos, 2000:46)

it clearly emerges the all the categories need to be involved in defining evaluation objects for services. As a consequence it has also to be considered that, depending on the category, each object's value can have several interrelated dimensions, such as moral, aesthetic and economic (Aspers & Beckert, 2011). Each dimension uses a different scale and there is often no exchange rate, possible translation process between them (Weber, 1978). A common scale needs to be found, that by somebody has been defined as the total quality of the service (Parasuraman, Zeithlam and Berry, 1985; Grönroos, 1988 and 1990). What this paper proposes is a wider vision, that goes beyond quality and also includes other value dimensions, according to what is evaluated, in which moment of the service (and the service development) and from which perspective (not only that of the customer and not only that of the provider, but both of them separately and together in the joint sphere).

Hence, from a strategy point of view, another key element to be considered is deciding when to conduct the evaluation (Bertin, 1995; Altieri, 2009):

- before the activity, object of evaluation (*ex-ante evaluation*);
- during the activity, for monitoring the compliance with the objectives of evaluation (*in-itinere evaluation*);
- after the activity, for verifying if objectives have been reached and defining intervention alternatives (*ex-post evaluation*).

We focus on the time of evaluation because the temporal dimension is crucial in the Service-Dominant Logic, according to the three value creation spheres and relatively to different values that emerge from these (in-exchange, in-use and in-context). The temporal dimension is also crucial within each definition of value; for example according to value-in-use definition, value is created through the customer's usage over time (Sawhney et al, 2006; Tuli et al., 2007; Helkkula and Kelleher, 2010; Strandvik et al., 2012). Moreover, it lies implicitly in the notion that all actors (customers and firm) co-create value, making value creation as an all-encompassing process (Grönroos, 2008 and 2011; Grönroos and Ravald, 2011), where value accumulates over time, both for the firm and the customer. Grönroos and Voima (2012) partially reflects on the link between value and evaluation, arguing that since value-in-use cannot exist before it is created or emerges from the usage process, logically it cannot be assessed before usage. But from a customer perspective, value does not only emerge during the use of the service. It can be experienced also before and after, going beyond the interactive process (Heinonen et al., 2010.)

Value creation may thus take place in different moments and may occur in different ways (imagined before, perceived during, or evaluated after) in the experiential use process (Ng et al. 2010) and in the service production process. Value-in-exchange as well does not necessarily exist in one given point in time, but can emerge at different moments of the service experience.

As a consequence value can be perceived and constructed differently by the service provider and the customer, generating evaluation problems. It is not by chance that in the service sector, evaluation is still a

fragmented and controversial issue, mainly focusing on customer satisfaction and costs efficiency, where understanding what and when to evaluate is not clear (Foglieni, Maffei and Villari, 2013 and 2014). Considering the value creation process in a service as it was defined by Grönroos and Voima (2012), evaluation can be conducted in different phases (from design to usage, through development, manufacturing and delivery) and distinguishing between a provider and a customer perspective, as suggested by Service-Dominant Logic literature.

From a provider perspective we argue that evaluation can be conducted:

- during the service development, thus evaluating the service prototype or in better terms the representation of service delivery processes. In this case also the user will receive a benefit from evaluation, because it has the purpose of leading to a better service, but the main benefit is for the organization that can optimize the use of resources for implementing a service more suitable for the market (*ex-ante evaluation*);
- during the delivery of the service, thus evaluating the back-office processes required for interactions with the user to take place (*in-itinere evaluation*);
- after the service delivery, thus evaluating the adoption of the service by the market and the impacts it has at its target community level (*ex-post evaluation*).

From a user perspective, in relation to the effective use of the service by the user, evaluation could be conducted:

- before the use, thus evaluating the idea of the service in the mind of the user before it directly interacts with it (*ex-ante evaluation*);
- during the use, thus evaluating the service during its interactions with the user (*in-itinere evaluation*);
- after the use, thus evaluating the memory of the service experience in the user mind (*ex-post evaluation*).

Reflecting on the times of evaluation described above we can now analyse key publications in Service-Dominant Logic literature in order to identify what can be evaluated in a service and value dimensions emerging from (or addressed by) evaluation in different moments of the value creation process.

### **A tentative model of service evaluation**

Service Dominant Logic literature is dominated by value co-creation (Heinonen et al., 2010; Voima et al., 2010; Grönroos, 2011; Grönroos and Ravald, 2011; Helkkula et al., 2012), where the concept of value-in-use results preeminent on that of value-in-exchange, thus considering the customer as the main co-creator of value that results to be always uniquely and phenomenologically determined by the beneficiary. In this customer-dominant perspective, value-in-use appears as a function of the customer's experience and logic (Grönroos, 2008; Heinonen et al., 2010; Grönroos and Ravald, 2011; Voima et al., 2011; Helkkula et al., 2012; Strandvik et al., 2012). But the same literature discusses as well co-creation as emerging from a wider system that includes actions by both the service provider and the customer (and possibly other actors), where the provider assumes a facilitating role and where the time component is fundamental since value accumulates over time and not only derives from the usage phase. As Grönroos and Voima (2012) asserts:

*“The underlying, though never explicitly formulated, view of value creation is of an all-encompassing process, including activities by service providers, customers, and possibly also other actors, which leads to the conclusion that everything is value creation and everyone co-creates value.”*

The model we are going to describe, in order to identify what to evaluate in a service and for which value objectives and outputs, refers to a service provided to enable both customers and providers to create value for themselves, thus fostering a reciprocal value generation process, where co-creation is a function of their interactions (Grönroos and Ravald, 2011). We recognize value for the customer and for the provider as two sides of the same coin, as Gupta and Lehmann (2005) argued, even if not limiting our view on value for the provider as being only financial as they did.

For these reasons, we consider the choice of perspective as one of the key element to be defined when deciding which values evaluation wants to address. And, as stated in the previous paragraph, the second element to be considered in defining a service evaluation model is the time of evaluation, ex-ante, in-itinere and ex-post, which characteristics vary according to the perspective undertaken. A matrix emerges (see Figure 1) where perspectives and moments of evaluation intersect giving place to nine possible contexts of value creation and as a consequence of service evaluation in order to address or obtain that value.

This model has to be considered as an interpretation made by the authors, which does not expect to be complete and absolute. On the contrary, the purpose is to stimulate a discussion that reflects on what can be evaluated in a service according to the different moments and actors of the debated value generation process.

Exploring key concepts of value-in-use, in-exchange and in-context as they are defined by literature and in particular by those texts considered as the pillars of Service Dominant Logic (Vargo and Lusch, 2004, 2006a, 2008 and 2014; Vargo et al., 2008) and its critique (Lusch and Vargo, 2006b; Grönroos, 2006 and 2008; Karpen and Bove; Grönroos and Ravald, 2011; Heinonen et al, 2010; Voima et al, 2011; Grönroos and Voima, 2012) we focused on each of the nine cells in search of specific objects of evaluation and value dimensions.

According to Mattsson (1991: 42) we consider values as “*the effects of an on-going evaluative act*” and also, according to the conventional definition we can find in any dictionary, as the relative worth, utility, or importance of something that is usually assigned or determined by evaluation or measurement. From these definitions clearly emerges that to determine a value an implicit or explicit evaluation needs to be done. And that value is not something tangible, but a perception (Woodruff and Gardial, 1996) or a feeling we attribute to something in order to accomplish a desired purpose or goal. Nordin and Kowalkowski (2010) assert in fact that customers (and we argue also service providers) do not only focus on functional and economic benefits, but also emotional, social, ethical and environmental dimensions.

Using the classic drill-hole example value can reside in the pure sensation of possessing a drill, in the ease of drilling, in the usefulness of the hole produced. But if we want to know if the drill is easy to use and the hole is well done according to our original purpose an evaluation needs to be done on elements like the drill (ergonomy, lightness, power), the people who uses the drill (expert or not, keen on bricolage, left or right-handed) and the process of drilling (light conditions of the environment, conditions of the wall, level of charge of the drill). We consider all these elements as possible objects of evaluation, which results allow us to assign a value to the drill and the drilling activity. This is of course a very simple situation that probably will never require a structured evaluation. If we consider a service instead, the situation appears immediately more complex. We try to simplify by clustering possible objects of service evaluation in two main categories (see Figure 2):

- *service elements*, i.e. tangible aspects of the service (touchpoints, interfaces, advertising...) and resources possessed, given and required to access and use the service. In a supplier-customer relationship, resources can be regarded as inputs to the process of value creation. Each party makes its resources available and integrate them with other personal resources and other actors resources (economic and social actors within the service network) (Grönroos and Ravald, 2011). ;
- *processes*, i.e. a sequence of activities led by the provider to develop and deliver the service, but also led by the customer to experience the service, and interactions between the two parties. Processes that take place in the provider sphere without direct interactions with customers enable the firm to structure their value proposition, which includes a sort of script of the experience offered to customers, in an ideal situation (Grönroos and Voima, 2012). In this way the firm facilitates customers' value creation.

According to the cell taken into consideration we will realize that it won't be possible to always identify service elements and processes, because for example in an *ex-ante evaluation* from a customer perspective the service is only imagined by the customer thus there won't be processes to evaluate yet. Anyway, both categories in every cell have to be explored if we want to figure out an all-encompassing service evaluation model. For each cell we are going to attribute contents according to the categories and value dimensions resulting from evaluation objects.

Before facing the attribution and articulating objects and values for each cell, we think it is important to describe its general content in terms of value creation (Figure 1) and exemplify it through an example.

### **Guided walkthrough of the model**

We take as example to explore the proposed model, a service in the healthcare sector since it is a field that everybody has probably experienced and that can be easily comprehended. In particular we imagine evaluating a dental clinic service.

As suggested by some SD Logic literature (Karpen and Bove, 2008; Grönroos and Ravald, 2009 and 2011) the customer's process of value creation is influenced by direct or indirect interactions with the service provider. Only during direct interactions, the firm can access the customer process of value creation. Here, joint value creation is possible. Likewise, the provider's process of value creation can be divided into two parts: a production phase (when the value proposition is created aiming at facilitating customers' value creation) and an interaction phase. From a temporal point of view, the value facilitation process precedes customers' value creation. But we can also say that customers' value creation process may start before value

facilitation, when customers search for service inputs. As stated before, the customer's perspective also comprises other activities and personal resources, since the service is not only consumed or used by the customer, but potentially integrated into the customer's ongoing experience beyond the service process. Moreover, customer's interactions with the firm can occur also during development, design, manufacturing and delivery phases, making the customer a co-designer and co-producer of the value proposition, besides a co-creator of the service value. According to this view, also the joint sphere widens, since a joint development, design or manufacturing process represents a further value co-creation opportunity. Therefore, we consider value as a dynamic concept that is context-dependent, longitudinally developed and accumulating over time (Voima et al. 2011).

PERSPECTIVE	TIME		
	Provider sphere	Joint sphere	Customer sphere
Ex-ante	Value is created in the service development process and the value proposition	Value is created in indirect interactions within facilitating and supporting services	Value is created in the customer social context (expectations) and in inputs from the provider
In-itinere	Value is created in back-office processes	Value is created in direct interactions	Value is created in perceptions of the service experience
Ex-post	Value is created in outputs and outcomes of the delivery process	Value is created in indirect interactions within facilitating and supporting services	Value is created in the memory of the service experience

Figure 1 – Overview on the model's contents

Starting from the provider sphere the purpose of evaluation is thus to assess the value proposition offered to the customer (value-in-exchange) during the firm's value facilitation process. What can be evaluated from the provider perspective during the service development, during the service delivery and after the service provision, to make the client return to service? From an ex-ante point of view the value proposition and the service system that supports it have to be defined. Customer experience is seen here as constructed, staged, and created by the service provider, and customers are assumed to experience the service according to how it is designed by the company (Heinonen et al., 2010).

Referring to the dental clinic example, in this phase the firm providing the service has to define its offering (oral hygiene, general dentistry, implantology, orthodontics...) according to the customer segment it wants to address to (children who needs of orthodontics appliances, elderly people who needs denture, a wider spectrum of customers...) and the competitors' offering (public dental care services, private surgery and so on). The delivery place has to be designed, practitioners' team has to be formed and a network of suppliers has to be built together with the general management of the service (opening hours, reservation system, prices...). A feasibility plan has to be done and to get in touch with the customer a communication system has to be set up. On the other hand the customer evaluate this inputs from the provider (*ex-ante customer sphere*), also supported by his own social context (peers reviews, word of mouth), needs (preferences and habits, economic availability) and previous experiences. The value assessment needs thus to be embedded in the customer's social reality, as part of a collective and inter-subjective context, made by earlier experiences, which are invisible to the service provider, and continuously updated by new experiences (*ibidem*).

Before using the service, the customer can then establish a first contact with the offering (*ex-ante joint sphere*) getting in touch with some facilitating and supporting services provided by the firm (website, advertising, customer service), usually happening through indirect interactions.

Once the service has been developed and it is available on the market, customers and provider can finally directly interact (*in-itinere joint sphere*). Values emerging from interactions reflects social, spatial, temporal, and physical contexts in which usage takes place and change over time. Value is here created by the user (individually and socially), according to resources and processes (and their more or less pre-determined outcomes) provided by the firm (*ibidem*). Going back to our example, the customer in needs of dental assistance finally goes to the clinic where he meets the doctor and is treated. Here's the evaluation of

principal service touchpoints takes place: tangible service elements (the ambulatory, personnel, medical facilities) but also delivery processes (welcome, waiting time, treatment...). In this phase both the provider and the customer contribute in creating value, together in the joint sphere or separately. For the provider (*in-itinere provider sphere*) the object of evaluation consists in determining the efficacy of back-office processes (reservations management, personnel management and relationships, medical facilities suppliance); for the customer (*in-itinere customer sphere*) in the realization of the service experience in relation to expectations and personal characteristics (resolution of the problem, perception of pain, level of satisfaction). Once the experience is concluded, the customer and the provider can prosecute their relationship (*ex-post joint sphere*) through the same facilitating and supporting services used *ex-ante* for establishing the contact. But in this case their purpose is to enable the client loyalty (the dental clinic can for example guarantee an after-surgery assistance in case of problems or offering special treatments to long-term clients). From the customer perspective (*ex-post customer sphere*), it is assumed to evaluate the service provider's performance over time (Grewal et al., 2009) and in memory of the service experience. In extant service quality literature the quality of a service is traditionally evaluated at the end of a service encounter (Parasuraman et al., 1985, 1988 and 1991). This means that the timing of measurement is based on the company's perspective. However, when extending the focus to activities beyond the interaction, as we suggest, the time frame inevitably changes. To conclude, from the provider perspective (*ex-post provider sphere*) value is created in outputs and outcomes, i.e. what is effectively delivered by the provider, with which resources and with which effects on the firm. For example, the dental clinic may realize that the performance of some dentists is not aligned with the client expectations, thus provoking a customers' loss. Grönroos and Voima (2012) affirm that value-in-exchange is a utility, embedded in a product or resulting from a labor process, that is delivered in a unique moment in exchange for other utilities (usually an amount of money that the customer is prepared to pay). According to the model described, we argue on the contrary that also value-in-exchange accumulates over time since it derives from the process of service development and it is influenced by the customer perception of the service value. Furthermore, this perception can enable a continuous improvement of value-in-exchange provided by the service provider. According with this overview, in the next paragraph we detail the contents of every cell also trying to assign a value dimension to each of them. As said before, it is a first attempt that needs to be further discussed.

## Synthesis and conclusion

Considering the analysis of SD Logic literature and its critique explored above we can now try answering the questions: what can be evaluated in a service? And which values is it possible to obtain or address through evaluation?

We started filling the matrix reflecting first on possible evaluation objects (distinguishing between service elements and processes) emerging from literature and then deducing from them possible value dimensions. What clearly emerges is that, according to the perspective chosen, what can be evaluated in a service resides in interactions (direct or indirect) in the joint sphere, in internal activities and resources in the provider sphere and in individual characteristics and contexts in the customer sphere.

In particular it has to be noticed that from a customer perspective *ex-ante* and *ex-post* evaluations focus only on service elements available to individuals to assess the service and not on processes, since in these moments evaluation is a sort of inner activity based on preferences and perceptions. Processes are considered only *in-itinere* and coincide with the process of experiencing the service during the usage phase.

For these reasons value dimensions for the customer are identified as:

- **desirability** and **credibility** of the value proposition before the use of the service, when the customer has to decide among competitors which service to buy;
- **satisfaction** perceived while experiencing the service;
- **loyalty** to the service in the long-term, deriving from a positive service experience and from resources obtained from the firm to keep him positively remember the service itself.

On the contrary, from a provider perspective evaluation always includes processes, since it is mainly based on sequences of activities held by the firm: *ex-ante* to design, develop and implement the service, *in-itinere* to deliver the service and *ex-post* to consolidate the service and improve it. To support the evaluation of the firm's processes also elements like the relationship with the system of suppliers and stakeholders, the system needed to the deliver the value proposition and the value proposition itself, as well as outputs and outcomes of internal activities (set up to deliver the service) have to be evaluated. According to these objects, emerging value dimensions focus on:

- **feasibility** and **profitability** of the service for the firm before and during its design, development and implementation, i.e. the worth for the firm of introducing that offering as well as the **usability** and **manufactured quality** of any resources developed;
- **efficacy** of the firm in delivering the service and **responsiveness** of the system and employees to support customers by providing prompt timely services;
- **efficiency** of the firm in delivering the service with the optimal consumption of resources (temporal, financial, human), that is in other words reaching competency in performance.

PERSPECTIVE		Provider sphere	Joint sphere	Customer sphere
		TIME		
Ex-ante	<b>OBJECTS</b>	<ul style="list-style-type: none"> <li>• service elements Relationships with economic and social actors within networks</li> <li>• processes Design, development, manufacturing, implementation</li> </ul>	<ul style="list-style-type: none"> <li>• service elements Interfaces, contact touchpoints, interactive marketing activities, advertising, facilitating and supporting services</li> <li>• processes Indirect interactions</li> </ul>	<ul style="list-style-type: none"> <li>• service elements individual and collective context, previous experiences, peer-to-peer recommendations, word of mouth, preferences, perception of the firm</li> </ul>
	<b>VALUE DIMENSIONS</b>	Feasibility, profitability, usability, manufactured quality	Visibility, accessibility, experience	Desirability, credibility
In-itinere	<b>OBJECTS</b>	<ul style="list-style-type: none"> <li>• service elements Service system (provider and suppliers network), value proposition</li> <li>• processes Back-office processes</li> </ul>	<ul style="list-style-type: none"> <li>• service elements Service offering (physical good, service, solution), delivery touchpoints, resources for customers' use (people, technology, organisations and shared information)</li> <li>• processes Direct interactions (co-creation process)</li> </ul>	<ul style="list-style-type: none"> <li>• service elements Current and remembered inputs, cognitive and emotional perceptions</li> <li>• processes Customer experience</li> </ul>
	<b>VALUE DIMENSIONS</b>	Efficacy, responsiveness	Utility, reliability	Satisfaction
Ex-post	<b>OBJECTS</b>	<ul style="list-style-type: none"> <li>• service elements Outputs and outcomes of the service provider internal activities</li> <li>• processes Follow-up activities</li> </ul>	<ul style="list-style-type: none"> <li>• service elements Interfaces, contact touchpoints, facilitating and supporting services</li> <li>• processes Indirect interactions</li> </ul>	<ul style="list-style-type: none"> <li>• service elements Resources obtained from the firm (physical, virtual, mental or imaginary), consequences of consumption, memories</li> </ul>
	<b>VALUE DIMENSIONS</b>	Efficiency	Quality	Loyalty

Figure 2 - A tentative model of service evaluation

In the end, from a joint perspective what can be evaluated are mainly service touchpoints (tangible elements of the service) and consequently interactions deriving from them. These interactions are indirect in *ex-ante* and *ex-post* evaluations since before and after the use of the service the customer does not interact with the service provider but only consume resources provided by the firm. *In-itinere* evaluation instead focus on the dialogical process coming up from on the direct interaction between the firm and the customer. Value dimensions emerging from the joint sphere can thus be:

- **visibility** of the service in the market, if compared to competitors, **accessibility** of the service to the customer who has got in touch with its communication touchpoints and wants to use it and the **experience** of being a resource integrator for both parties;

- **utility** and **reliability** of the value proposition and the system of delivery, i.e. the ability to perform the promised service, meet user needs and generate profits for the firm;
- **quality** of the service performance, i.e. the capacity of maintaining the value promised to the user generating competitive advantage for the provider.

We thus consider service quality to be evaluated only at the end of a service encounter as other scholars previously did (Parasuraman et al., 1985, 1988 and 1991), but according to our model it acquires a different meaning. First because it is associated to the joint sphere thus referring to a mixed perspective and not only that of the provider and of the customer; and secondly because it applies to a longer term. We argue that quality not only apply to the specific moment coming immediately after the service delivery and use but also to the capacity of the firm to maintain that standard of promise, if necessarily continuously innovating over time to meet its customers' target needs and expectations.

Obviously, other value dimensions might be included in the model, like for example sustainability or security, but we decided to consider in this first attempt only dimensions that can be generalized to a large number of services. Moreover, as stated before, a good evaluation strategy requires considering the context in which the service takes place, thus implying that more specific value dimensions can be identified each time according to the context peculiarities and requirements assigned to that particular evaluation.

What emerges from this tentative model is that the service evaluation process can be twofold: on one side evaluation is done to understand if the service in hand satisfies certain value dimensions, identified as objectives of the evaluation. On the other side it is conducted to assess if claimed value dimensions are effectively reached. In any case what we want to put the attention on is that to determine value dimensions it is necessary to conduct an evaluation on service elements and processes. Only after having evaluated these objects it will be possible to affirm that a service is profitable, desirable, efficient and so on. Evaluation and value are not separable concepts and if we want to understand what constitutes value in a service the only way is to evaluate.

Moreover, reflecting on value creation as we did give evidence to the fact that in services there is not a dominant perspective. Both the provider and the customer have a role that cannot be avoided; one without the other makes the service having no sense, or better no value. As a consequence both of them have to gain something from the service delivery and from the use of the service.

With this paper we propose to include this topic in the debate around value creation, going beyond theory, so to make it more pragmatic and give some practical instrument to people operating in the service sector. First of all firms that for decades have struggled in the attempt of understanding how to measure service quality and meet customer satisfaction. But also marketers and designers who need to demonstrate why developing a new service can bring a given advantage or why an existing service needs to be improved on this or that aspect.

The purpose is to foster a service evaluation culture as a practice for a continuous learning and innovation process, that brings value to the provider in terms of competition, profit and effectiveness, to the customer in terms of experience, satisfaction and usefulness and eventually to the market setting up higher standards of quality.

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