



RE-IMAGINING MARKETING AT THE INTERFACE: IN SEARCH OF A RECONCILIATION

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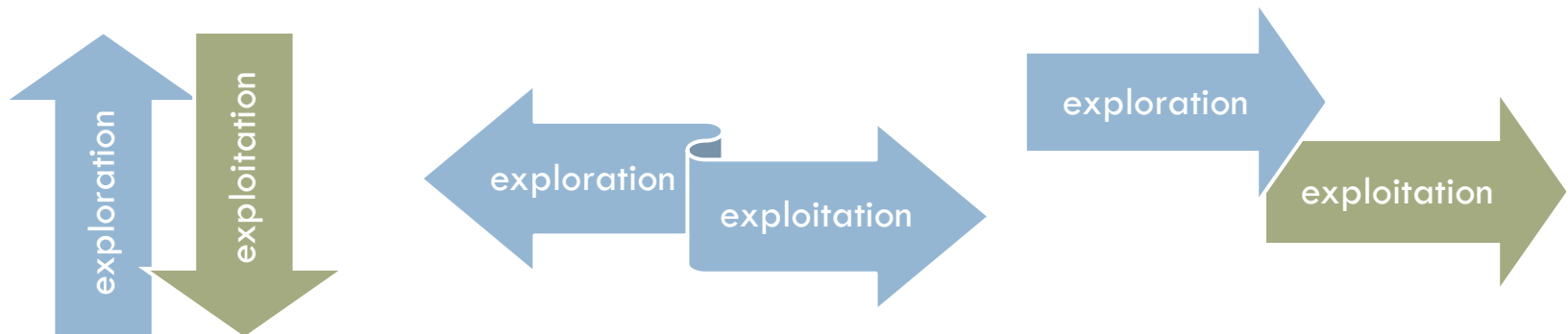
A Snapshot of Existing Views on Value

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March (1991): exploration/exploitation

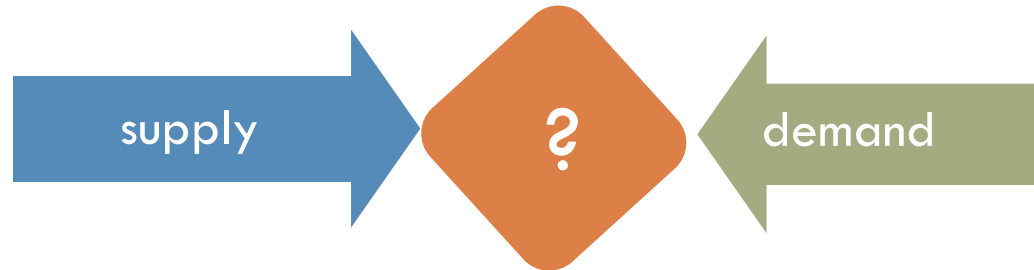
O'Reilly & Tushman (2004): ambidexterity

Lepak, Smith, & Taylor (2007): value creation/appropriation



Problems with Current Views on Value

<theories, models, level of analysis>



- Porter (1985): Value chain
- Christensen & Rosenbloom (1995): Value network
- Norman & Ramirez (1993): Value constellation
- Moller & Svahn (2006): Value system
- Ramaswamy (2008): Value co-creation

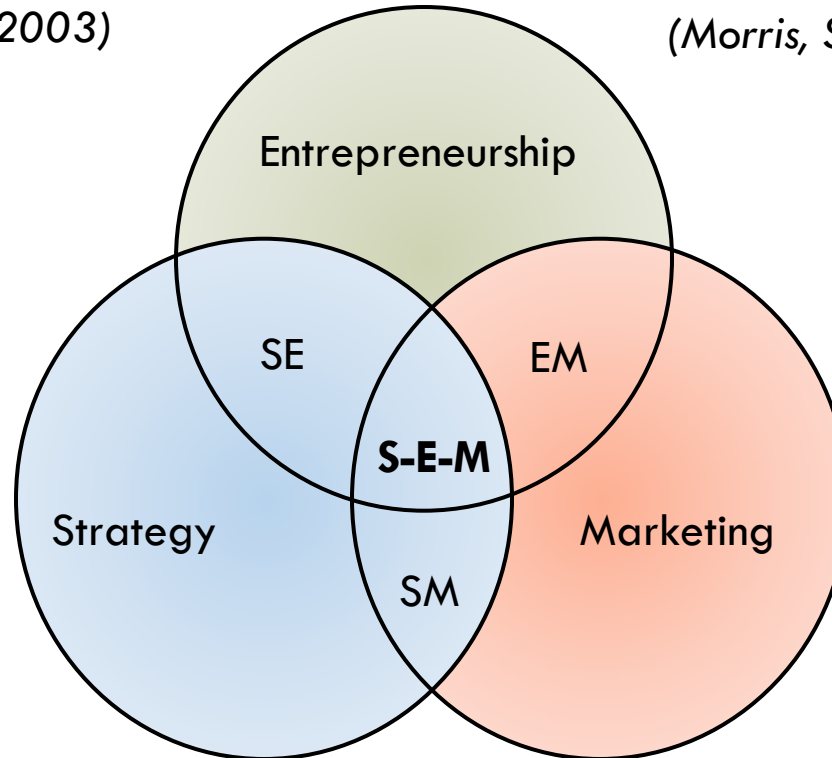
“while one would be hard pressed to find a management scholar who would disagree that value creation is important, one also would find it equally difficult to find agreement among such scholars regarding (1) what value creation is, (2) the process by which value is created, and (3) the mechanisms that allow the creator of value to capture the value.” (Lepak, et al., 2007: 180)

An Inter-disciplinary Interface?

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SE = advantage-seeking + opportunity-seeking
(Ireland, Sirmon & Hitt, 2003)

EM = EO + MO + OR + RL + value
(Morris, Schindehutte & LaForge, 2002)

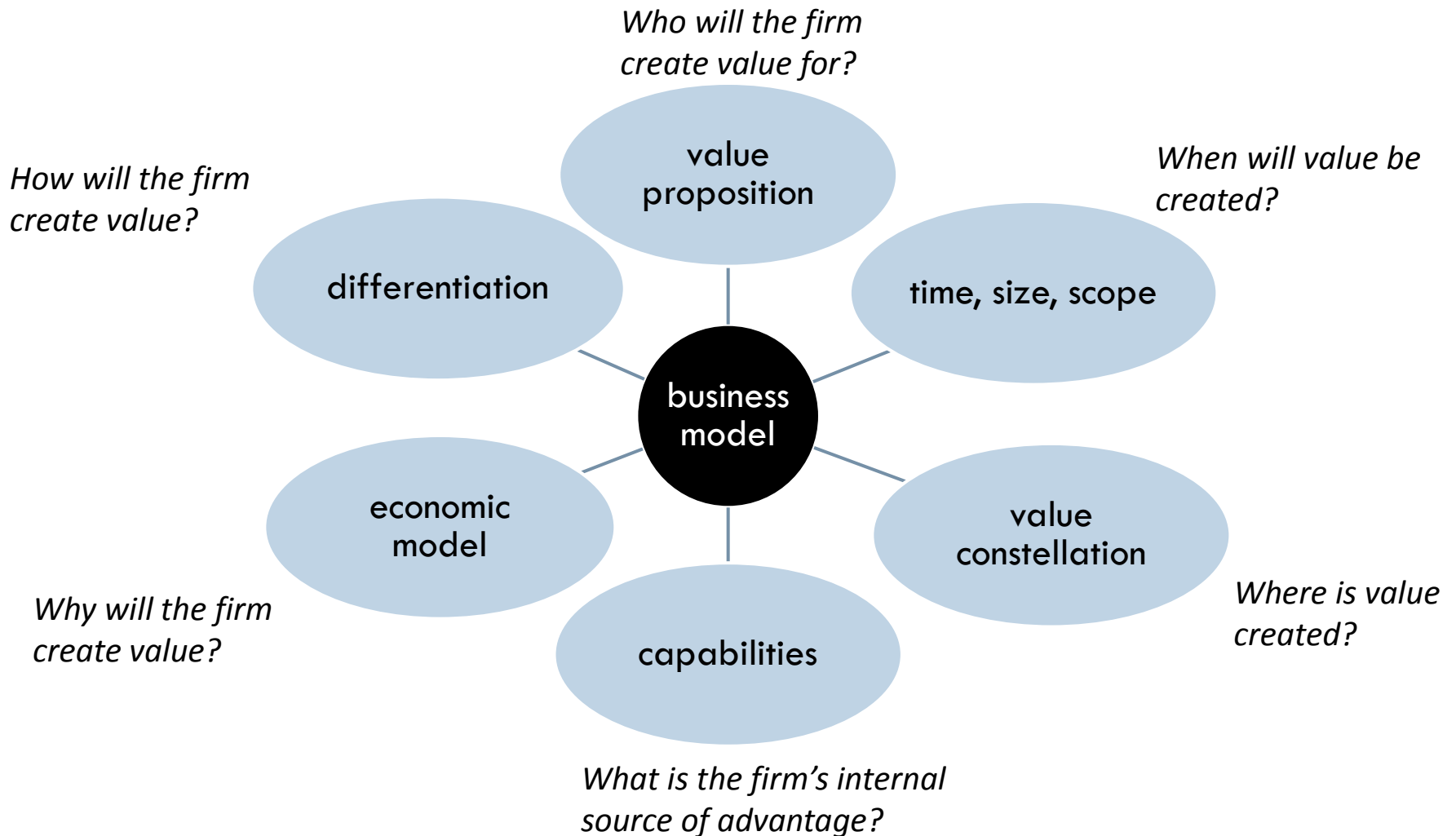


perceived + intended value (Rindova & Petkova, 2007)
i.e. value seeking by consumer + value seeking by producer

S-E-M = advantage-seeking + opportunity-seeking + value(market)-seeking

The 6W's of Value: A Business Model?

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Question?

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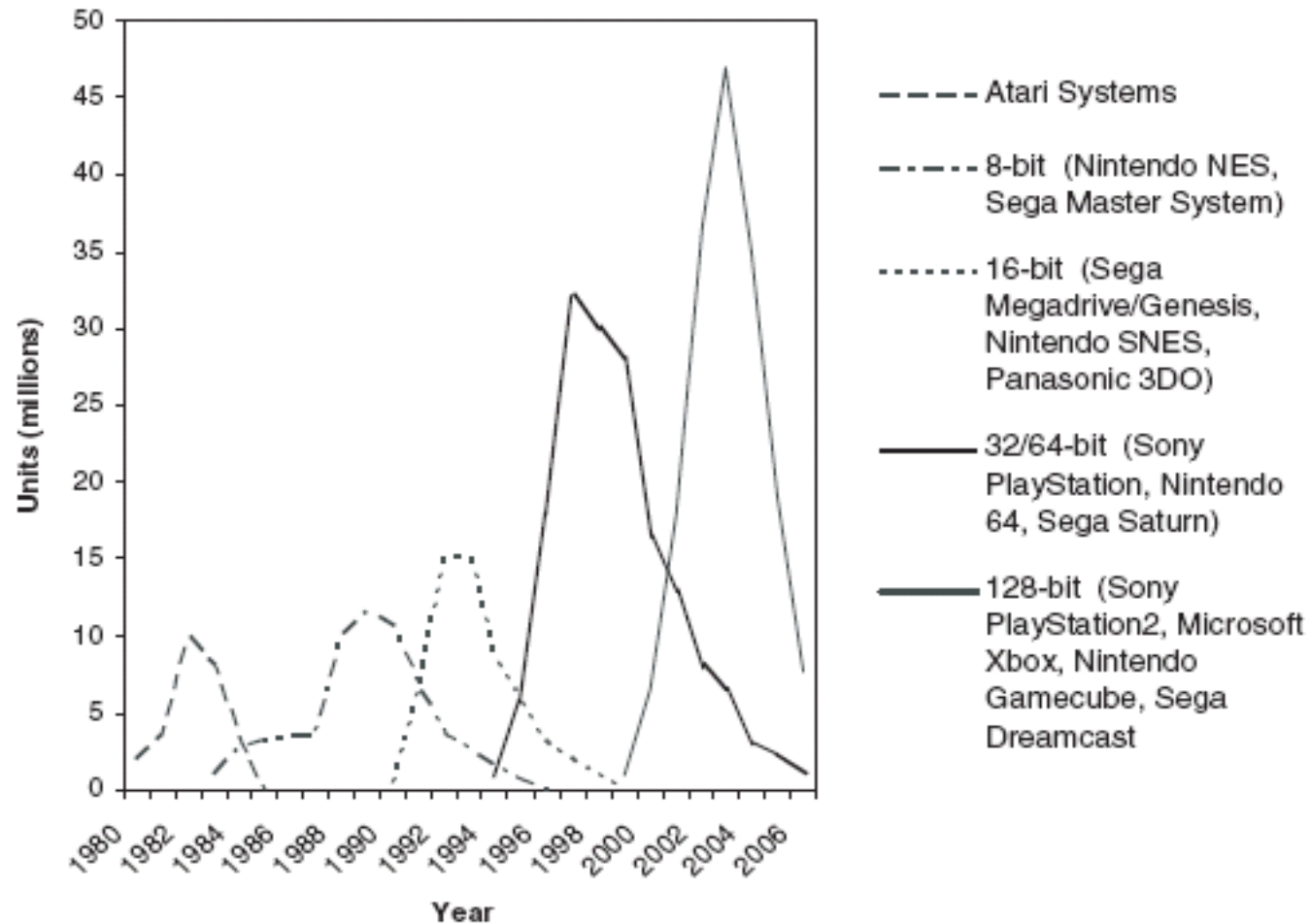
- Can a new product not only radically revive a company, but also reinvigorate an entire industry?

The image shows the word "wii" in a lowercase, rounded, sans-serif font. The letters are a dark gray color. The 'w' is the largest, followed by the 'i's. The 'i's have circular dots above them. A small "TM" trademark symbol is located to the right of the second 'i'.

The Life and Death of Gaming Consoles

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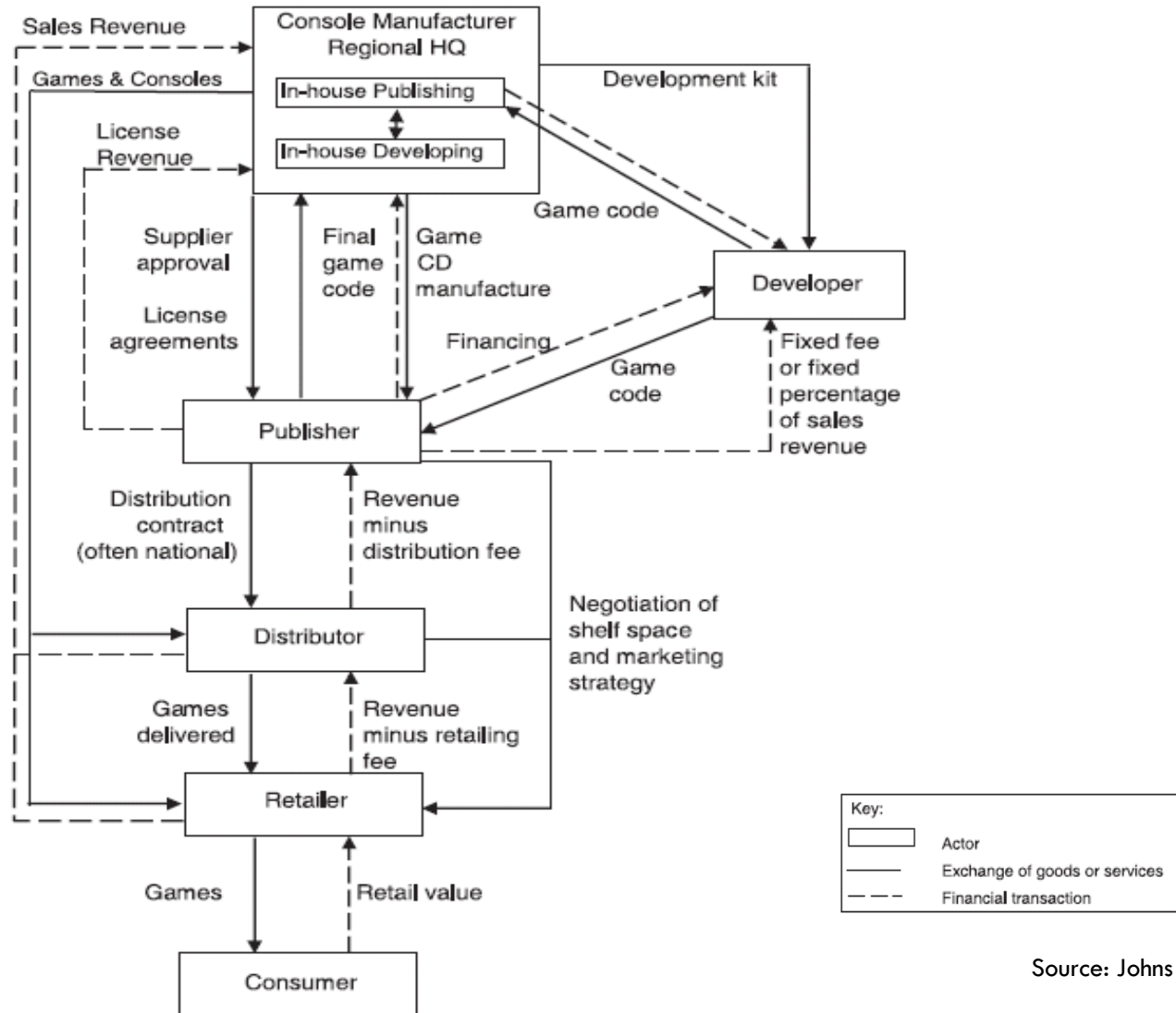
Unit Sales of Gaming Consoles



Source: Johns (2006: 156)

Infrastructure and Interconnections of the Video Game Production Network

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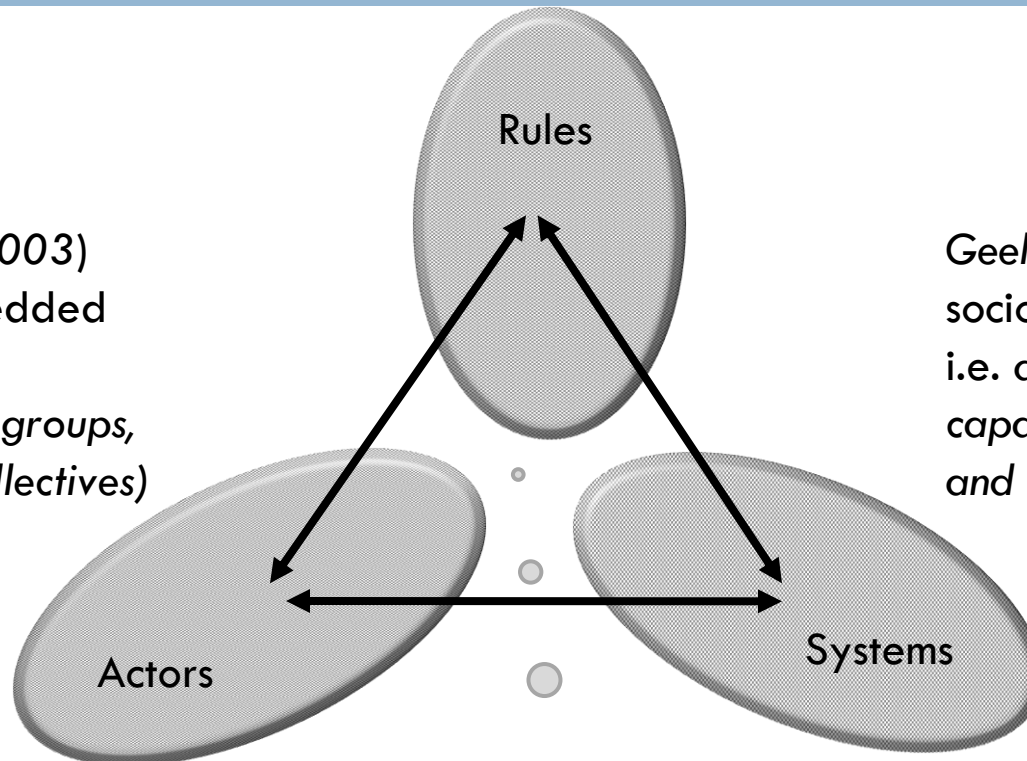
Source: Johns (2006: 164).

Conceptual Elements of the Value-Plex (1)

<3 analytical components>

9

Garud & Karnoe (2003)
Distributed & embedded
actors
(can be individuals, groups,
organizations or collectives)



Geels (2004; 2006)
socio-technical *system*
i.e. distributed resources,
capabilities, technologies
and knowledge

Relational view (*Emirbayer, 1997*): trans-actional, not inter-actional >>

“the concept of power [is] transformed from a concept of substance to a concept of relationship.

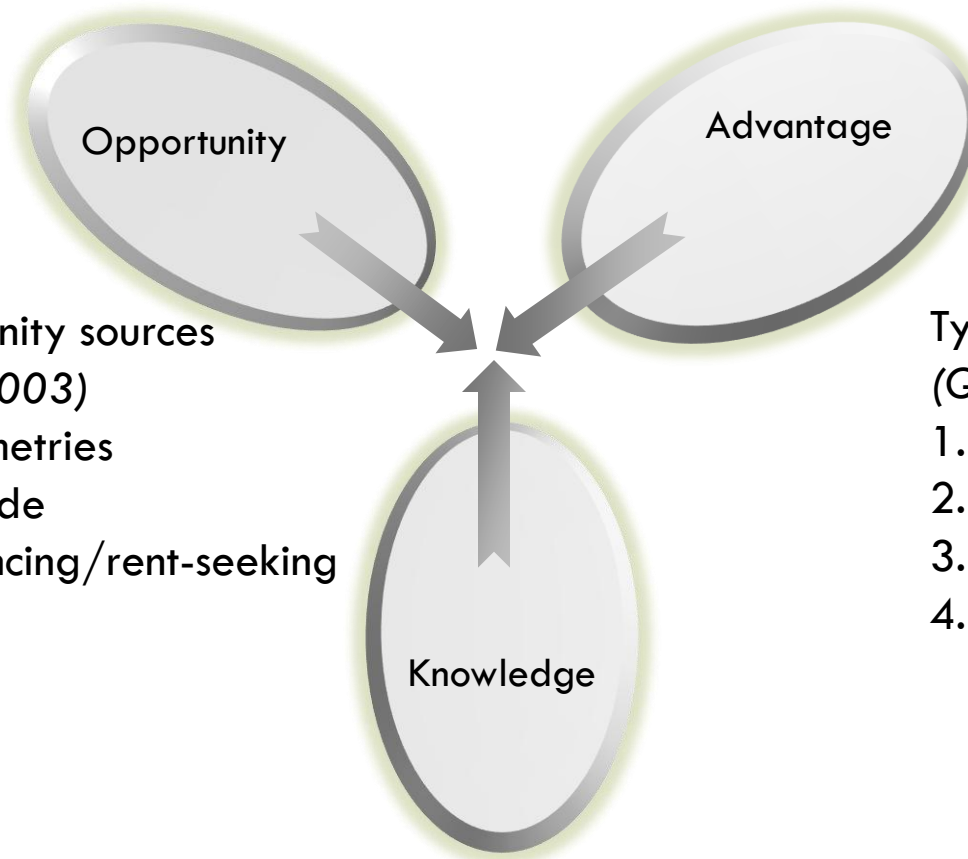
At the core of changing figurations—indeed, the very hub of the figuration process—is a fluctuating, tensile equilibrium, a balance of power moving to and fro... This kind of fluctuating balance of power is a structural characteristic of the flow of every figuration”

(*Elias, 1978: 131*).

Conceptual Elements of the Value-Plex (2)

<3 value ecologies>

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Opportunity

Advantage

Knowledge

Typology of opportunity sources
(Eckhardt & Shane, 2003)

1. information asymmetries
2. supply/demand side
3. productivity-enhancing/rent-seeking

Typology of advantage
(Greve, 2009)

1. resource advantage
2. differential advantage
3. regional advantage
4. positional advantage

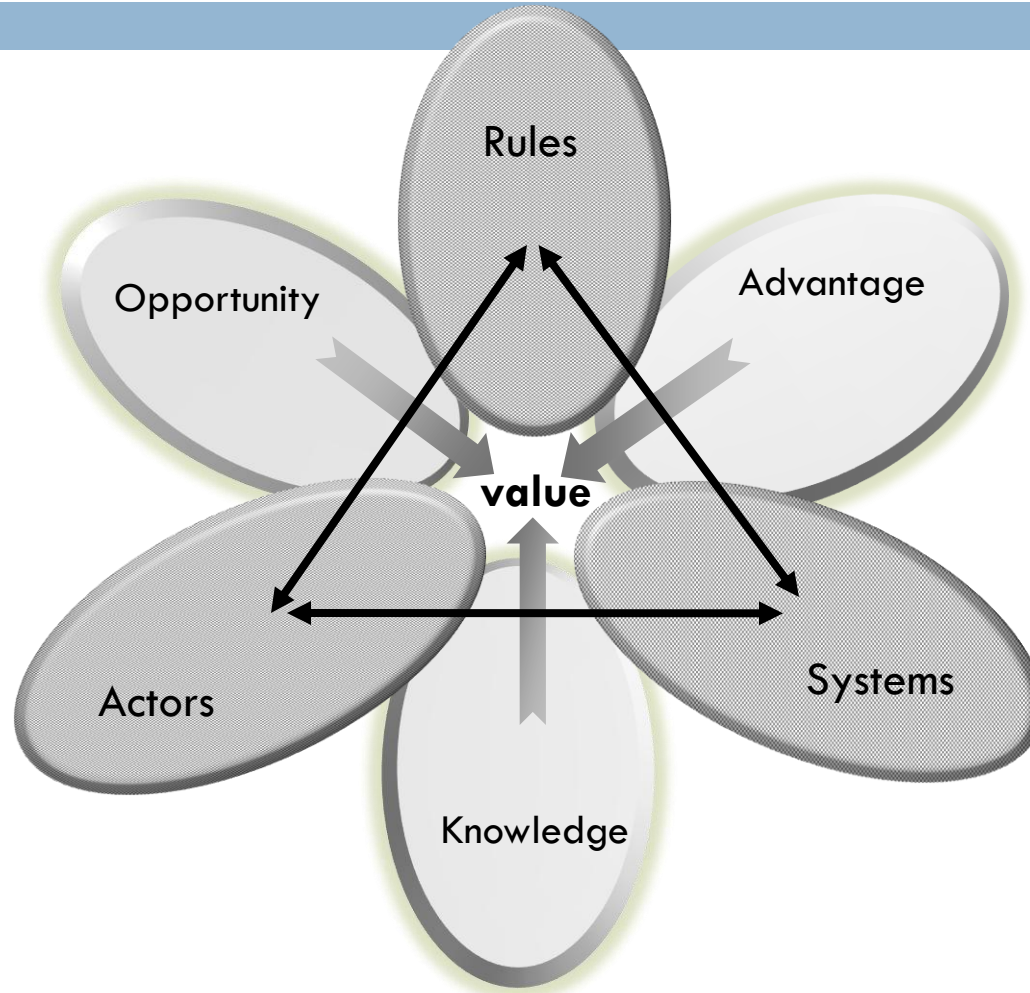
Dimensions of knowledge-based opportunities: (Malerba & Orsenigo, 1997)

- (1) opportunity conditions (**opportunity**);
- (2) appropriability conditions (**advantage**);
- (3) cumulative conditions (learning);
- and (4) the nature of **knowledge** itself

Conceptual Elements of the Value-Plex (3)

<3 analytical components + 3 value ecologies>

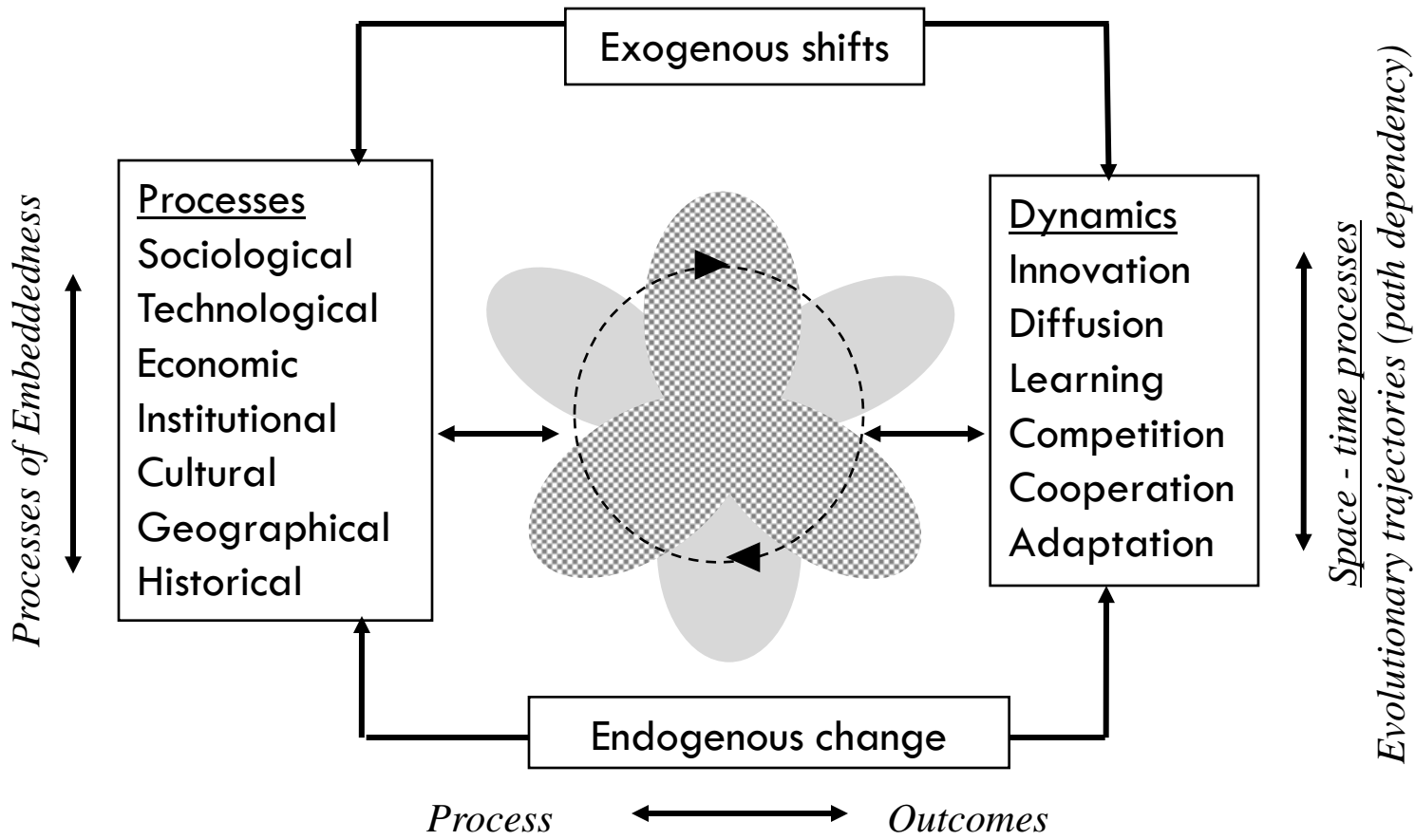
11



$$\text{Value}_{\text{potential}} = f (\text{Opportunity} * \text{Knowledge} * \text{Advantage} * \text{Time})$$

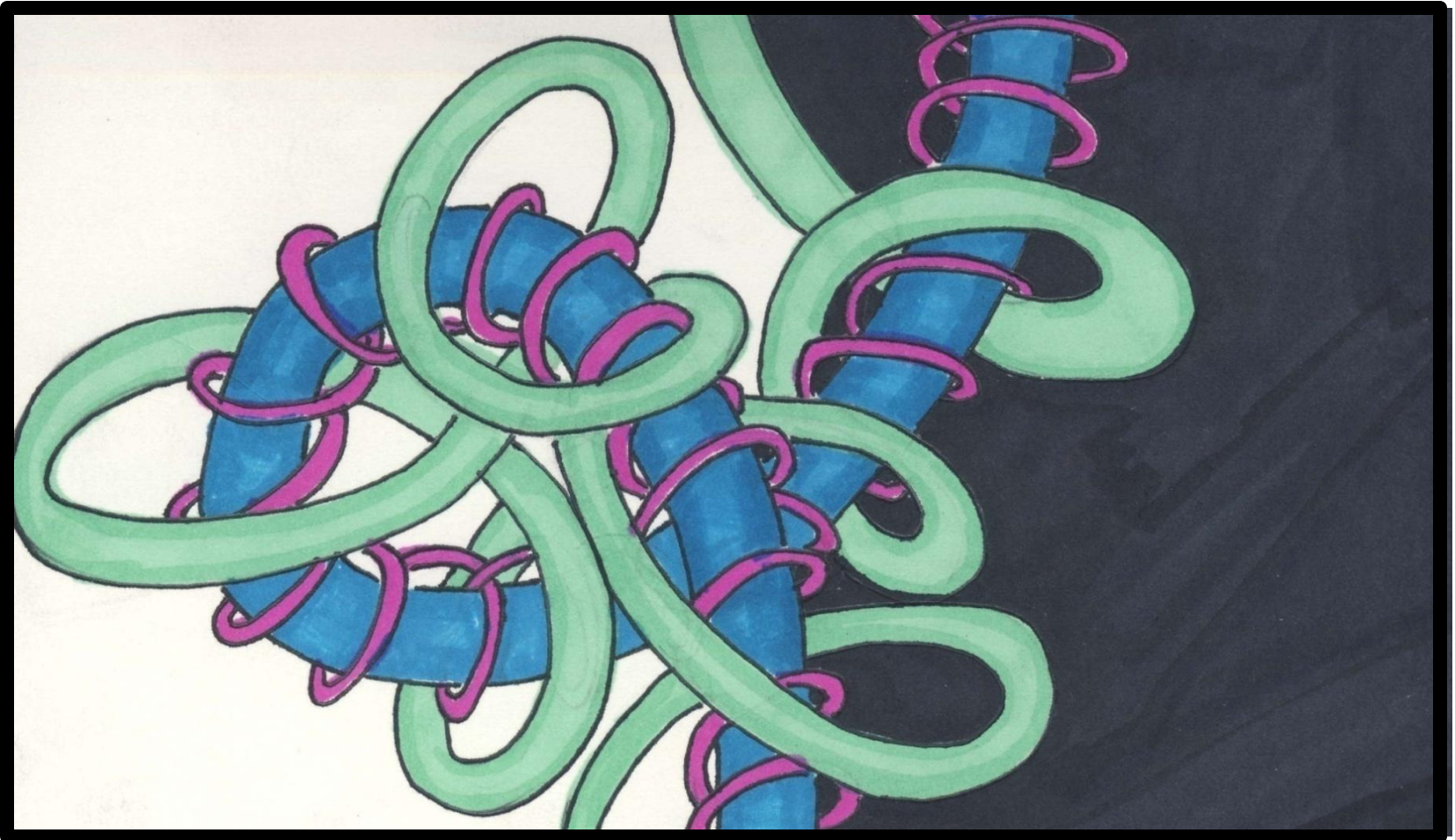
Time >>> Dynamics

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$$\text{Value}_{\text{realized}} = f(\text{Connectivity} * \text{Power} * \text{Synergy} * \text{Diffusion} * \text{Symbiosis})$$

12



“come together as a series of strands, like a rope, when woven together, form a more powerful tool than either alone” (Baskin and Boje, 2005: vi).

Value-in-Motion

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1. From notions of a firm and its **networks** to an *assemblage*
2. From firm-centered to a *relational* approach
3. From clear **inside/outside** the firm to *hybridity* across multiple actors
4. From firm **capability** to system *capacity*
5. From **ambidexterity** to *symbiosis*
6. From **integration** to *intensification* of value
7. From a **locus** of value to a value *manifold*
8. From **diachronic stages** of a process to *synchronic multi-temporal orchestration*
9. From static (**property**) to dynamic (*potentiality*) value
10. From disciplinary **interface** to trans-disciplinary *multiplex*

Nintendo & S-E-M: Ideas that Move People

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Nintendo:

- ❑ *Reinvented* itself (from playing card company in 1889)
- ❑ *Created* the video game industry (in 1960)
- ❑ *Reinvented* the industry (in 1980)
- ❑ *Expanded* the market (in 1983)
- ❑ *Created and eliminated* opportunities (1989, 2004)
- ❑ Ignored customers; focused on *non-customers* (i.e. Wii)
- ❑ *Reinvigorated* the industry (in 2006)
- ❑ Created *change* at the individual, organizational, industry & societal levels
- ❑ *(Re)generated* entrepreneurial opportunities
- ❑ Created *extraordinary value* for the company, its customers and partners, and all its various stakeholders
- ❑ *Own the market!*

Q&A