

Role of Marketing in Design, Technology and Engineering (DTE): Representing customers and beyond



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Value-in-exchange

- Use value and economic/exchange value (Marxist's 'commodification' concept)
- 'Value-in-use' (goodness in experience) and 'value-in-exchange' (goodness in worth)
- Value-in-exchange: utility as proxy for use-value. A product has its inherent own essence to serve some purposes. Value is de-contextualized and de-individualized.






Value-in-Use

- Phenomenological value: objects are inherently conceived in the experience of it (Husserl, 1939)
- Existential phenomenological value: objects (goodness) are assessed by their performance in the realization of social and cultural practices.
- 'Things-in-use' mediating the relationship between human-world relationships.
- Value-in-use is contextualized (contingent upon agent's actions, contexts, and projects/tasks/purposes)
- Value-in-use occurs through consumption interactions, i.e., acts, processes and practices that occur in the use of experience of an offering (Warde, 2005).

Marketing & DTE under GD Logic

- Firms exist to (efficiently) make, distribute and sell value-laden goods in an existing market. In the process, producers can create value. Suppliers, customers and stakeholders are exogenous for this value creating process. GD Logic emphasise value-in-exchange.
- In DTE research, marketing is primarily viewed from managerial perspective and is regarded as a technology, a set of techniques, employed by organizations to produce a desired response from a market ' (Sweeney).
- Marketing primary role in DTE
 - Provision of product requirement and specifications at pre-consumption/preproduction.








Marketing & DTE under GD Logic

- Making better product /service
 - Selection and itemization of customer needs
 - Construct, evaluate and determine the attractiveness of product/service attributes and formats
 - Creating and selecting new product/service design
- Generating Ideas for product /service
 - Sourcing, filtering and evaluation of NPD ideas
 - Translating of ideas into market-accepted new products
 - Screening new product ideas (linguistic assessment and the fuzzy-set based computation)
 - Intention-based new product concept testing
 - Selecting and /or evolving improved concepts for product through a concept evaluation and convergence process
- Markets for products /services
 - Process optimized for control and efficiency for mature end user markets
 - Discovery of new markets for existing products

→ for exchange

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Value creation

- GD Logic Value Propositions (provision of assets, time and information as exchange value) i.e. what we can sell you (and deliver) – focus on value in exchange and the **buyer (choice)**
- SDLogic - Value Creating Activities (Collaborative co-creating activities to achieve value-in-use) i.e. what we do together (and with other entities) – focus on value-in-use and **the context**

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Context as the focus for Marketing (1)

- we can focus on *contextual invariances* - clusters of contexts that are similar.
- when we focus on value in context, we need to shift our focus away from the individual, onto what Normann would call *activity sets* i.e. the context of the experience.
- Instead of profiling individuals, we should be profiling contexts

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Context as the focus for Marketing (2)

- because context is where value creation happens, we can now try to understand the way interactions happen *and could change* with different products and technology.
- Technology liberates us from constraints of
 - time, when things can be done
 - place, where things can be done
 - actor, who can do what
 - constellation, with whom it can be done

- (Normann, 2001)

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Context as the focus for Marketing (3)

- context is where the market/revenues are
- Convergence of context and choice e.g. outcome based contracts etc.

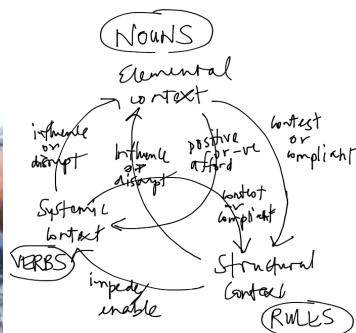


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Marketing's role: Representing Contexts & Enable Design, Technology & Engineering for Context



Irene C L Ng, *Value and Creation of New markets in the Digital Economy*, forthcoming 2013

Providing input into design of customers'/actors' value creation processes

- Normalizing, integrating and representing actors' social practices and providing the institutionalised solutions (Vargo)
- Providing affordances (enabling) resource integration for actors' in their contextualised value creating processes

creating new markets

- Creating new transactions from possible 'solutions'
- Deinstitutionalizing existing conventions for existing solutions/service, shaping new customs and re-institutionalizing new solutions/service (Vargo)

Designing technological interventions and material spec/req to enabling value creating systems and contexts that makes endogenous material design, technological connections and social practices




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