Co-destruction of Value – A Stakeholder Conceptual Review

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Abstract

Co-destruction of value has been highlighted as a possible outcome of every interaction between firms and consumers. Despite the likelihood of its occurrence, the concept is not adequately defined or understood, while little is known about how and where it occurs. This paper reviews the literature on co-destruction to provide insights into what co-destruction is, and it identifies where co-destruction occurs and how it occurs through resource mis-integration and in practice. The review takes a stakeholder approach, highlighting how value can be co-destroyed by stakeholders both within the dyad of the firm and its consumers and beyond this dyad during multiparty interactions and in virtual communities. The analysis suggests that value can only be co-destroyed when the expectations of the beneficiary are higher than the level of service offered by the provider. The paper proposes a new definition for co-destruction and highlights pressing research gaps within the co-destruction literature.

Keywords: service-dominant logic, value co-destruction, practices, resources, value destruction, value co-creation, value creation, framework, expectations
1. INTRODUCTION

Prahalad and Ramaswamy (2004) defined co-creation as the process whereby more than one party joins forces to interact, learn and share information to create value. It is based on the notion that the firm, which was originally considered the centre of value creation, is now taking a back seat, as value is being increasingly created within the firm’s network (Prahalad and Ramaswamy, 2004). This network, which includes consumers and other stakeholders, acts as a pool of knowledge which the firm can leverage to generate a range of benefits. Previous limitations on value creation, as a result of the firm’s finite resources, can be overcome given that the firm can now tap into the resources available within its immediate business environment. Co-creation emerged with the introduction of the service dominant logic (SD logic), which introduced services as the fundamental unit of exchange, as opposed to goods, under the goods dominant logic (GD logic) (Vargo and Lusch, 2004).

To an extent, co-creation encounters have been successful at generating value both for the consumer and the firm. There are, however, encounters where the outcomes of value creating ventures have not been favourable. These seemed to have been overlooked under the SD logic. In these processes, value is destroyed, instead of being created. This process of value destruction was labelled ‘co-destruction’ by Plé and Cáceres (2010) and refers to all forms of interactions between firms and their consumers where less than ideal value propositions have been realised. Co-destruction, unlike co-creation, has not received much attention in the literature. This lack of focus has been a result of the positive connotations associated with the term ‘value’ (Plé and Cáceres, 2010) and the difficulty in identifying where value is destroyed in the SD logic. In the GD logic, both the firm and its consumers played separate roles. The firm was assumed to play the sole role of value creator, while the consumers played a role only in value destruction (Ramirez, 1999). Value was thought to be exchanged in a market via goods (Prahalad and Ramaswamy, 2002) and it was easy to identify the value creator and value destroyer. These roles have been redefined with the introduction of the SD logic and the emergence of co-creation. The firm and its consumers are no longer considered to be on the opposite sides of value creation and destruction. Both are now known to co-create value by interaction through various touch points (Prahalad and Ramaswamy, 2004). This blurred the line between value creation and destruction, making it difficult to identify where value is created (Saarijärvi et al., 2013) or destroyed. As the literature has increasingly accepted the SD logic and the focus on co-creation has surged, the negative outcomes of interactions between the firm and its consumers within the SD logic has been largely ignored (Vafeas et al., 2016).

This changed, however, with the introduction of the term ‘co-destruction’ by Plé and Cáceres (2010), resulting in a gradual increase in publications focusing on the negative outcomes of interactions between firms and consumers. The increased interest reflects the need to better understand co-destruction, since co-creation and co-destruction are not necessarily opposites (Stieler et al., 2014) and understanding value co-creation does not necessarily lead to an understanding of value co-destruction. In addition, actions and practices geared towards value co-creation could eventually result in value co-destruction (Becker et al., 2015). Within the co-destruction literature there is also the risk of a lack of adherence to a consistent theoretical perspective. This has been found to occur within the co-creation literature (Ranjan and Read, 2014), where misunderstandings have been identified over where co-creation occurs (Gronroos, 2011) and how it occurs (Saarijärvi et al., 2013). These misunderstandings are being corrected through synthesis of the literature (Ranjan and Read, 2014, Saarijärvi et al., 2013), shedding more light on various facets of the concept. Within the co-destruction literature, there are no publications offering a similar synthesis. And as the co-destruction literature continues to grow, the need for coherence in the theoretical perspective and an understanding of the concept has become paramount. In a similar manner to the co-creation literature, it is therefore important to ensure proper synthesis of the co-destruction literature to highlight what co-destruction is, where it occurs and how it occurs and to highlight areas where more research is needed (Snyder, 2019). There is also a need to better understand co-destruction in relation to co-creation. This will help pave the way for developing frameworks which will simultaneously address both the upside and the downside of value formation, as suggested by (Echeverri and Skalen, 2011).

The purpose of the paper is therefore to examine the literature on the co-destruction of value within the SD logic from the inception of the concept until the present day (2010 – 2021), to develop a clear understanding of its conceptualisation relative to the literature on the co-creation of value and to identify gaps in this area. Specifically, this paper will try to answer these questions:

1. What is the co-destruction of value?
2. How does the co-destruction of value occur?
3. What are the pressing research gaps to address when it comes to co-destruction?

This paper is divided into three sections. The first section focuses on defining the co-destruction of value, highlights what value is within the SD logic, where value is co-destructed and how value is destroyed through resource misintegration and in practice. The second section focuses on understanding co-destruction from the perspective of various actors involved in value formation. This section touches on co-destruction by the firm (business to business and business to consumer co-destruction of value), consumers, co-destruction beyond the
dyad of the firm in multiparty interactions and co-destruction in virtual communities. This is followed by a final section, which highlights the pressing research gaps to be addressed within the co-destruction literature.

2. CO-DESTRUCTION OF VALUE

Understanding co-destruction depends on our understanding of what value is and where value is formed within the SD logic. What value is and how it is formed, however, are still questions that are open to debate (Gronroos, 2011). Also, the focus on collaborative value formation and destruction has highlighted the importance of resources and how they are integrated in practice. These are not fully understood, however (Ple, 2016). The following sub-sections define value specifically relating to service systems and what value co-destruction is within the SD logic. This discussion is followed by a review of the literature, aiming to identify the locus of value co-destruction to shed more light on our understanding of how value is co-destroyed. The last two sections discuss how value can be co-created and co-destroyed, due to resource integration or misintegration, and how resources are integrated in practice.

2.1. Defining Value

Value is an elusive term and several authors have described value as one of the most ill-defined concepts in management (Gronroos, 2011, Plé and Cáceres, 2010, Vargo and Lusch, 2008) or an amorphous concept (Zeithaml and Bitner, 1996) which is multi-faceted and complex. Various definitions of value have been provided within the business management literature (Table 1). Zetham (1988) defined value as “A consumer’s total assessment of the utility of a product based on perceptions of what is given and what is received”. Woodall (2003) defined it as “any demand-side, personal perception of advantage arising out of a customer’s association with an organisation’s offering, which could occur as reduction in sacrifice; presence of benefits (perceived as either attributes or outcomes); the resultant of any weighed combination of sacrifice and benefits (determined and expressed either rationally or intuitively); or an aggregation, over time, of any or all of these”. Both Zeithaml (1988) and Woodall (2003) definitions show an emphasis on the sacrifices and benefits/cost-benefits associated with value and both have more of a focus on the utilitarian as opposed to the hedonic side of value. This focus on the utilitarian side has come under criticism from various authors (Holbrook and Hirschman, 1982), claiming that a trade-off only between price and quality/cost benefits is too simplistic. Adopting this view, Holbrook (2006) attempted to provide a much more encompassing definition, stating that value is “an interactive relativistic preference experience”. This defines value from an interaction perspective between an object, which could be a product, and a subject, which could be a consumer, highlighting not only the utilitarian, but also the hedonic side to value (experience).
### Table 1: Definitions of Value

<table>
<thead>
<tr>
<th>Value (Definition)</th>
<th>Definition derived from different conceptions of the term</th>
<th>Perspective</th>
<th>Source</th>
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<tr>
<td>A consumer’s total assessment of the utility of a product based on perceptions of what is given and what is received.</td>
<td>1. Value is low price; 2. Value is whatever I want in a product; 3. Value is the quality I get for the price I pay; 4. value is what I get for what I give</td>
<td>Zeithaml’s four uses of the term ‘value’ showed the general understanding of the concept of value was based on some notion of its functional utility – shows an emphasis on sacrifices/benefits</td>
<td>Zeithaml (1988)</td>
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<td>Aggregated Value</td>
<td>1. Derived Value - Value conceived as use/experience outcomes 2. Marketing Value - Value conceived as product attributes 3. Sale Value - Value conceived as a reduction in sacrifice i.e. Price 4. Rational Value - Value conceived as the difference from the objective price 5. Net Value - Value conceived as the balance of benefits and sacrifices</td>
<td>Provided a representation of all consumer value types based on consumer demand. Depicts a focus on the utilitarian and like Zeithaml’s definition, it highlights the emphasis on sacrifices/benefits</td>
<td>Woodall (2003)</td>
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<td>An interactive relativistic preference experience.</td>
<td>1. Utilitarian Value – The functional utility/dimension of value 2. Hedonic Value – the experiential dimension of value</td>
<td>Defines value from an interaction perspective between an object, which could be a product, and a subject, which could be a consumer. Captures both the hedonic and utilitarian sides of value and considers interactions – shows little emphasis on sacrifices/benefits but highlights preferences</td>
<td>Holbrook (2006)</td>
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<tr>
<td>Value for Service Systems</td>
<td>Derived specifically to define value for service systems</td>
<td>Defines value for service systems with a focus on improving the well being of the system. This improvement is defined by the ability of the system to better fit into its environment. Does not touch on sacrifices/benefits.</td>
<td>Vargo et al. (2008)</td>
</tr>
<tr>
<td>Perceived value</td>
<td>Perceived Value = Acquisition value + Transaction Value 1. Transaction Value - The perceived merits of a “deal.” (Monroe &amp; Chapman 1987) 2. Acquisition Value - The net value that accrues from the trade-off between the actual price charged and the perceived benefits of acquiring a product. (Monroe &amp; Chapman 1987)</td>
<td>Conceives value based on how consumers evaluate the quality or benefits to be received from a product relative to the sacrifice inherent in the price. This definition also focuses on the utilitarian side of value.</td>
<td>Monroe and Krishnan (1985)</td>
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Specifically for service systems, value is defined as “an improvement in a system’s well-being” (Vargo et al., 2008). This definition is based on the notion that the function of service systems is to make use of its own resources and the resources of others to improve its circumstance and that of others (Vargo et al., 2008). This definition, like others, has been criticised within the co-destruction literature as providing an over optimistic view and a favourable perspective on the outcome of value related processes (Plé and Cáceres, 2010). It fails to consider the infinite possibility that resources can be used within the system to the detriment of others. This rather positive connotation of “relativistic preferences” by Holbrook (2006), “personal perceptions of advantage” by Woodall (2003), “assessments of the utility” by Zeithaml (1988) and “an improvement in a systems well-being” by Vargo et al., 2008 have had a strong influence on how we assess value related activities, by leaning towards positive outcomes of all value creating activities, at the expense of the negative outcomes.

2.2. Defining Co-destruction

With only a few articles in the literature focusing specifically on co-destruction, definitions of co-destruction are not as diverse as those of co-creation. Eleven different definitions of co-creation were identified in the course of this review, while only five definitions of co-destruction (Table 2) were identified. The first one was by Plé and Cáceres (2010), who defined co-destruction as: “an interactional process between service systems that results in a decline in at least one of the system's well-being (which, given the nature of a service system, can be individual or organizational)”.

This definition takes into consideration the importance of interactions in value formation and destruction (Gronroos, 2011). It also takes into consideration the role of service systems, which are the collection of resources involved in the creation of value such as people, information and technology (operant resources). Service systems can vary in size, with every system being both a provider and client of a service that is connected by value propositions in value chains, value networks, or value-creating systems (Normann, 2001). The definition also introduces the major clause “decline in well-being of at least one of the interacting systems”, in which decline refers to unmet expectations. A second definition was proposed by Vafeas et al. (2016), who argued that the term co-destruction does not fully capture the phenomenon of value loss, since the term destruction implies irreversible loss. Vafeas et al. (2016) opted for the term diminished, instead of destroyed, and claimed value diminution could be a more accurate description in comparison to value destruction. They defined value diminution as “the perceived suboptimal value realization that occurs as a consequence of resource deficiencies in, or resource misuse by, one or more interacting actors”. Thus, like Ple and Caceres’ definition, an activity is classified as destructive when it does not meet the expectations of one or both members of the interaction.

More recent definitions of co-destruction (Corsaro, 2019, Cunha, 2019) highlight an interesting trend in the conceptualisation of co-destruction within the literature. Both Corsaro (2019) and Cunha (2019) view co-destruction as a process which occurs following the co-creation of value or the intention to co-create value. These definitions are in line with Plé and Cáceres (2010) in that interactions originally set up to co-create value could result in the unintentional co-destruction of value but fail to align with situations highlighted by Stieler et al. (2014), where value does not have to be co-created before being co-destroyed.

A focus on collaboration and processes can be seen across definitions of both co-destruction and co-creation. This highlights the crucial point that both co-destruction and co-creation are outcomes of interactive processes. They not only involve more than one party, as their names imply, but are outcomes of a process of interactions between these parties. These processes could be firm or customer orchestrated (Carù and Cova (2015) and are the basis of resource mis-integration or integration, which determine if value is destroyed or created. The definitions also show that these collaborations occur at different stages along the value chain and the level of involvement of each party differs (Fleischman et al., 2015) This shows the dynamic nature of co-destruction and co-creation and the importance of understanding the stages where these interactions are likely to occur and what degree of involvement is required from each party to facilitate or support value creation or destruction. Finally, a distinction can be seen between both definitions. Definitions of co-creation touch on innovation and creativity and this is not reflected in any of the definitions of co-destruction. This reflects the process of new product development and innovation fostered by co-creation and the literature has responded by providing studies focusing on this. However, this is lacking within the co-destruction literature, with only one publication found touching on co-destruction in new product development (Gebauer et al., 2013).
Table 2: Definitions of Co-creation & Co-destruction and Emerging Themes

<table>
<thead>
<tr>
<th>Concept</th>
<th>Definition</th>
<th>Themes</th>
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<tr>
<td>Co-creation</td>
<td>Joint activities of both parties (customers and service providers) to contribute to the value that emerges for one or both parties.</td>
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<td></td>
<td>Collaborative work between a consumer and a firm in an innovation process, whereby the consumer and supplier engage (to varying degrees) in the activity of co-ideation, co-design, co-development and co-creation of new products or services</td>
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<td></td>
<td>A process for developing systems, products or services through collaboration among customers, managers, employees and other stakeholders</td>
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<td></td>
<td>An active, creative, and social process based on collaboration between organisations and</td>
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<tr>
<td>Co-destruction</td>
<td>An interactional process between service systems that results in a decline in at least one of the system's well-being (which, given the nature of a service system, can be individual or organizational).</td>
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<tr>
<td>The perceived suboptimal value realisation that occurs as a</td>
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<td>process across interactive systems</td>
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<td>The joint, collaborative, concurrent, peer-like process of producing new value, both materially and symbolically.</td>
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<td>The participation of consumers along with producers in the creation of value in the marketplace.</td>
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<tr>
<td>An active, creative and social process based on collaboration between organizations and participants that generates mutual benefits for all stakeholders</td>
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<tr>
<td>An interactive, creative and social process between stakeholders that is initiated by the firm at different stages of the value creation process.</td>
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<tr>
<td>Description</td>
<td>Authors</td>
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<td>consequence of resource deficiencies in, or resource misuse by, one or more interacting actors.</td>
<td>(Corsaro, 2019)</td>
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<tr>
<td>The process through which relational parties co-destroy the value they previously co-created, generating a diminution in the value actors appropriated.</td>
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<tr>
<td>Describes the phenomenon in which multiple actors interact and integrate their resources to realize valuable benefits, and yet their collaborations result in a decline of the wellbeing of at least one of these actors.</td>
<td>(Cunha, 2019)</td>
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<td>Value co-destruction is both an outcome and a process in which the viability or well-being of an actor or system decreases.</td>
<td>(Hogg et al., 2021)</td>
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</table>
The literature on co-destruction shows a distinction between the use of the terms ‘diminish’ and ‘destroy’. Woodruff and Flint (2006) highlighted the possibility of value being diminished, but did not talk about value co-destruction, implying that diminished value and co-destroyed value are two separate constructs. Smith (2013) also questioned if certain scenarios can be described appropriately as value co-destruction, highlighting the possibility of diminished value through devaluation. Vafeas et al. (2016) named the process of value loss as value diminution, as opposed to value co-destruction, because it eliminates the need for the prefix ‘co’. “This often causes confusion, especially in scenarios where only one actor is destroying value” (Alford, 2016, Vafeas et al., 2016). Within the co-creation literature, the prefix ‘co’ has been criticised for causing confusion when it comes to understanding who creates value and who co-creates it (Saarijärvi et al., 2013), making it important to define the roles of the actors and for whom value is being created. The Vafeas et al. (2016) definition also avoids the use of the term ‘decline in well-being’, which has been criticised as an unclear way of expressing value co-destruction outcomes (Prior and Marcos-Cuevas, 2016). Instead, it opts to classify interactions as ‘value diminishing’, based on the resource deficiencies or resource misuse, which was also stated by Smith (2013). Whilst the definitions of both Vafeas et al. (2016) and Plé and Cáceres (2010) capture the essence of interactions and offer insights into what co-destruction/value diminution is, they fail to reflect certain attributes of value loss/destruction within the SD logic. The terms ‘diminished’ or ‘destroy’ refer to the process or act of making something smaller or less than its original status or size. To say value has been diminished is to say value which has already been formed is being reduced to a lesser quantity. This, however, does not always apply to co-destruction, because value does not have to be co-created before it can be co-destroyed (Stieler et al., 2014). The series of events that lead to the destruction or diminution of value could either tarnish the already existing positive perception of value or it could prevent the creation of any positive perception of value. In addition, value creation for one actor could mean value destruction to another (Plé and Cáceres, 2010). To identify if value is being destroyed, it is important to identify which dimension of value is being created (Stieler, 2014) and whose value is being co-created (Saarijärvi et al., 2013). This makes value destruction specific to the beneficiary. This is in line with the 10th foundational premise of the SD logic, which states that value can only be determined by the beneficiary. An appropriate definition of value loss in the SD logic should reflect the specificity of value destruction to the beneficiary. Taking this into consideration and accepting the similar definition of value as “an improvement in a system's well-being” which can be measured in terms of a system’s ability to adapt or fit into its environment” (Vargo et al., 2008), one definition for co-destruction could be: A value undermining interaction for a service system. Undermining denotes both actions that weaken the existing status of an entity and actions that prevent an entity from realising its full potential. This definition also captures the specificity of value destruction, considering that value here is defined as “an improvement in a system's well-being”. Any such interaction that weakens the value proposition affects the wellbeing of the system. Finally, it also reflects the fact that the type of value being destroyed only relates specifically to the service system for which value is being created.

2.3. Locus of Value Co-destruction

Understanding where value is co-destroyed depends on our understanding of what value is and the locus of the formation of value. In our understanding of where value is realised, various logics have emerged. The SD logic puts the locus of value formation on the beneficiary in a system where actors can only make value propositions (FP7 & FP10 (Vargo and Lusch, 2016)). However, Gronroos (2011) argues against the 7th foundational premise of the SD Logic, which states that “firms (Actors or providers) cannot deliver/create value but can only make value propositions”. Gronroos (2011) proposes a service logic which focuses on interactions between firms (providers) and their customers (beneficiaries). Specifically, the service logic states that although customers are in charge of their value creation and fundamentally are the value creators, in situations when firms take advantage of the opportunities available to interact with their customers, the firm also co-creates value with the customers. A third logic, which views value creation from the consumer perspective – the customer dominant logic (CD logic) proposes taking a position with a focus on the customer’s network, as opposed to service in the SD logic or the service provider/ consumer interaction in the service logic. The question of where value is destroyed depends on the logic we adopt for value creation and whose value is being created. Hill et al. (2016) investigated value co-destruction within a maximum-security prison. Their focus on interactions between the wardens and the inmates revealed that the wardens (who could be seen as the provider) acted from a position of power, treating the inmates as less than fully human service beneficiaries. The actions of the wardens dehumanised the inmates, resulting in a counterfactual thinking that culminates in an ‘us vs. them’ mentality by the inmates. This implies a two-step process to value co-destruction, where the wardens make a value destroying proposition by
mistreating the inmates and if accepted by the inmates, results in an ‘us vs. them’ destruction of value scenario. This is in line with the SD logic’s 7th premise, which states that actors/providers can only make value propositions. However, this does not result in co-destruction until it is deemed destructive by the beneficiary, who in this case are the inmates. This pattern of value co-destruction is observed within the literature (Kashif and Zarkada, 2015, Mills and Razmdoost, 2016) and applies to both intentional and unintentional value destroying activities. Moving beyond the dyad of the firm and the consumer, value propositions by firms can be modified within the consumer sphere, resulting in the co-destruction of value. Carù and Cova (2015) utilised a multiple case vignette approach to study the collective experience of service dimensions. They identified the influence the presence of other actors could have on value creation during interactions. Seemingly positive intentions by firms, such as placing bets, could be modified by certain practices within the consumer sphere. These practices (e.g. queuing) are ambivalent in nature and can result in value co-destruction or co-creation (Carù and Cova, 2015, Echeverri and Skalen, 2011). The eventual experience also depends on where the activity was initiated. If initiated by the firm, they could be managed. When they are initiated by actors outside the company, they are difficult or impossible to manage and are thus more likely to result in the co-destruction of value. This could also be better illustrated by the case of the multiple value dimensions observed by Stieler et al. (2014), where the resultant value destroyed was determined by the dimension of value being created. These multiple dimensions of co-created and co-destroyed value are explained further in the next section.

It is also important to note there are instances where value is neither created nor destroyed. Recently, the literature has shown publications highlighting three different types of value outcomes as a result of interactive value formation – value co-destruction, value co-creation and value no-creation (Makkonen and Olkkonen, 2017, Sthapit and Björk, 2018). Value no-creation indicates a third outcome other than the dual outcomes of co-creation and co-destruction. Here, value is neither co-created nor co-destroyed and refers to a neutral outcome during interactions. Makkonen and Olkkonen (2017) in their paper built a framework for interactive value formation (IVF) in interorganisational relationships. This framework was utilised in a case study featuring a 3-year relationship between a museum and a media company and found co-destructive and no-creative instances dominated co-creative instances. Sthapit and Björk (2018) in their netnography study on IVF within tourism accommodation services identified keywords which were linked to value co-creation (good, positive, excellent, great and nice), value co-destruction (bad, negative, worst, terrible and poor) and value no-creation (ok, average, standard, decent and not good not bad).

2.4. Value Co-destruction Through Resource Misintegration

Just as resource integration is critical to value creation (Vargo et al., 2008), misintegration of resources is a critical component of value destruction. This makes understanding the origin and nature of resources important. The shift from the GD logic to the SD logic, outlined in the eleven foundational premises (FP1-11) (Vargo and Lusch, 2016), highlights the importance of resources in value co-creation. FP4 states that “operant resources are the fundamental source of strategic benefit” (Vargo and Lusch, 2016). Fundamental to the SD logic is the focus on operant resources, which are resources that act on other resources, such as knowledge and skills. Within the GD logic, however, the focus is on operand resources, which are resources acted on such as goods (Constantin and Lusch, 1994, Vargo and Lusch, 2004). The ninth foundational premise (FP9) also states that “all social and economic actors are resource integrators” (Vargo and Lusch, 2004). The SD logic considers all customers to be value co-creators with the firm (Neghina et al., 2015), utilising their resources in a positive manner to create value. This is not always the case, however, since these resources can be utilised in an adverse manner, resulting in the co-destruction of value (Williams et al., 2016). This bipolar nature can be ascribed to all resources, since they only acquire the status of resources in the function of the context of their use (Ple, 2016). Thus, a resource which is integrated within a system to positively create value could serve as a value destroying resource within the same system or in other systems. This point was made by Plé and Cáceres (2010), who argued that value loss for one party could result in value gain for another.

Firms only serve the purpose of supporting other actors in their value co-creation processes by providing resources which fit into their practices within a service system (Storbaska et al., 2012). Actors also can enhance the creation of value-in-use, by providing resources and also help other actors in the service system integrate their resources with other existing resources in the system (Storbaska et al., 2012). Therefore, for value to be co-created, resources have to be sacrificed (Zeithaml, 1988). In a conceptual paper by Ple (2016), a list of twelve resources which consumers utilise in value creation was constructed (Table 3). These resources, when sacrificed by the consumer and congruently integrated, could result in value creation.
Occasionally, these sacrificed resources can be misused in the system. This occurs when one actor or provider in a system has failed to integrate or utilise the available operand and operand resources of at least one of the other members of the service systems in an appropriate or expected manner from the other system’s perspective (Plé and Cáceres, 2010). This misuse can be intentional or unintentional and can be as a result of various factors (Laud et al., 2019), resulting in value co-destruction. In situations where these resources are misused, possibly due to incongruent integration, consumers experience resource loss and, to gain back the lost resources, there is a tendency for consumers to sacrifice more resources in a process known as coping (Smith, 2013). This was identified by Smith (2013) when she investigated resource loss using a conservation of resources approach (COR). Smith identified a list of resources (Table 3) in an experiment involving respondents in three shopping centres in the North of England. COR theory focuses on how individuals try to acquire more resources, by utilising their current ones. This is similar to value co-creation, during which systems interact to integrate resources to create value. When individuals use their resources to obtain more resources, but do not get any in return, i.e. the expected outcome of the encounter is not met, there is a tendency to invest more resources with the hope of achieving their expected result (Farquhar and Robson, 2017, M. Smith, 2013). Further loss of resources, which is usually unexpected, impacts on the individual’s behaviour and generates negative emotions. This ultimately results in value destruction and is triggered by the failure of the resource integration process to create the expected value. Smith’s work showed how resource integrations which ought to result in value creation can result in value destruction by exploring the nature and process of value co-destruction occurring from an organisation's misuse of customer resources. Respondents were asked to define what they had expected from their experience with firms and what had not happened as expected. The respondents also described how the initial loss of resources triggered further interaction or investment of resources in the hope of recouping the lost resources.

The importance of resources in ensuring value co-creation was also stated by Leo and Zainuddin (2017) in their study on social marketing services, where value was found to be destroyed when there was incongruent resource application and the misuse of the firms resources by either actor, ultimately leading to the reduced usage of the service, termination of the service and strategic behavioural actions (finding alternative solutions). Other authors have also attributed value co-destruction to resource absence or misalignment in service systems. On one hand, Prior and Marcos-Cuevas (2016) identified value co-destruction in interfirm relationships. In such cases co-destruction occurs when actors believe they are unable to achieve their desired outcomes from engaging in a collaborative process with other actors. This also occurs when there is a net deficit between actors’ perceived benefits and the perceived costs from collaboration. On the other hand, Chathoth et al. (2014) argued that value destruction occurs.
within the firm when employees are not treated as operant resources. Malone et al. (2018), in their study of tourist consumption experiences, identified emotions (Table 3) as important resources which contribute to value co-creation and value co-destruction. Their study, which was grounded in the customer dominant logic (CD logic), showed how emotions as a customer operant resource contribute to value creation in the preconsumption, core consumption and postconsumption (nostalgia) stages. These emotions could be positive or negative and contribute to value co-creation or co-destruction and emerge from congruent or incongruent practices respectively. To ensure value co-creation, firms should have an understanding of how resources are integrated to co-create value and be able to identify customers who are failing to co-create. To this end, Farquhar and Robson (2017) argue that firms can selectively demarket customers who fail to co-create by developing higher order operant resources or strategic capabilities to discourage or disengage these customers. It is important to note that consumers are more likely to continuously co-create value when they think resources are misused by themselves and co-destroy value when they think resources are misused by firms (Hsu et al., 2021).

Beyond individual integration of resources, resources can also be integrated collectively. Bruce et al. (2019) studied resource integration in collective consumption contexts and highlighted six activities through which household members integrate resources in the creation, or destruction, of value (resource assembly, resource mastery, resource optimization, usage event planning, real-time usage design, and resource reflection). Whether resource integration results in co-creation or co-destruction depends on such factors as the varying agency of consumers, human error and the behaviours of those involved in resource integration. It is important to note that not all forms of misintegration result in value co-destruction. There are situations where the misintegration of resources could result in value co-creation (Ple, 2016). Given that the resultant creation or destruction of value depends on the beneficiaries' expected use of their resources, when beneficiaries have low expectations of the use of their resources, misintegration could result in value co-creation when the provider surpasses their expectations. Finally, not all resources present within the system are critical when it comes to attaining the actor’s value creation goals. Resources present within the system which are not utilised for value creation are worthless and could facilitate value destruction (Storbaka et al., 2012).

### 2.5. Firm and Consumer Value Co-destruction Practices

Value in use is created as actors integrate resources in practice, making practices a key part of value creation and value destruction. Practices are dynamic and constantly in flux (Skålén et al., 2015) and are defined as “routinised actions, which are orchestrated by tools, knowhow, images, physical space and a subject who is carrying out the practice” (Storbaka et al., 2012). Their occurrence is driven by the actors in the service system and their evolution within the system is situational. Practices are not the same as actions, but instead, they expand the unit of analysis to the system that fosters the action (Storbaka et al., 2012). Within a system, a series of actions constitutes a process, while practices are a combination of processes. Practices therefore cannot be fully understood by studying the singular actions of actors within the system, but by taking a systemic view to get a better picture of how the service systems are integrated. They work together to enhance the value actors realise (Schau et al., 2009) and have a characteristic power to explain why and how value is realised (Echeverri and Salomonson, 2017).

Schau et al. (2009), in their work on identifying how brand community practices create value, argued that practices exhibit a common anatomy described as understandings (knowledge and tacit cultural templates), procedures (explicit performance rules) and engagements (emotional projects and purposes). These three components function cohesively within practices. The twelve identified practices (Table 4), when drawn on, help consumers realise value beyond that which the firm creates or anticipates. This work did not touch on the value destroying potential of these practices, however. Value co-destruction and value co-creation are both important dimensions of interactive value practices (resource assembly, resource mastery, resource optimization, usage event planning, real-time usage design, and resource reflection). Whether resource integration results in co-creation or co-destruction depends on such factors as the varying agency of consumers, human error and the behaviours of those involved in resource integration. It is important to note that not all forms of misintegration result in value co-destruction. There are situations where the misintegration of resources could result in value co-creation (Ple, 2016). Given that the resultant creation or destruction of value depends on the beneficiaries' expected use of their resources, when beneficiaries have low expectations of the use of their resources, misintegration could result in value co-creation when the provider surpasses their expectations. Finally, not all resources present within the system are critical when it comes to attaining the actor’s value creation goals. Resources present within the system which are not utilised for value creation are worthless and could facilitate value destruction (Storbaka et al., 2012).

Within the co-destruction literature, increasing attention is being paid to understanding practices and how actor interpretations could result in co-destruction. Echeverri and Skalen (2011) studied interactions between bus drivers and their customers and found that there is a possibility of value co-creation or co-destruction in every encounter. They identified five practices which were drawn upon during interactions. These five practices (Table 4), could be associated with both co-creation or co-destruction depending on the procedures and understandings of the encounter. The five practices identified shape the praxis (stream of activity) of the practitioners (human actors) involved in
consumer-firm interactions. Thus, providers and customers draw on various elements of practice (procedures, engagement, understanding) to interpret the actions of other actors. This shows the subjective nature of value creation based on practice interpretation. An actor's interpretation of a practice determines the resultant value created or destroyed. This is in line with Gronroos (2011), who stated that value is always perceived in an individualistic way. Echeverri and Salomonson (2017) also identified a set of six practices which are bi-directional in nature (Table 4). Utilising a dataset of customer narratives on value-creating and value-destroying practices in public transport, they were able to identify value sub-forming activities, which inform the formation of perceived customer value-in-use. These sub-activities could be combined in different sequences, they could occur simultaneously and their bi-directional patterns are context specific. This shows the complex nature of practices and the need for more focus on practices to fully understand their bi-directional nature and how they combine to co-create or co-destroy value. Other authors have identified practices with value co-creating and co-destroying elements. For instance, Carù and Cova (2015) and Skålén et al. (2015) identified two different sets of eight practices (Table 4). Carù and Cova (2015) divided their identified practices based on the locus of initiation, which could be either community initiated, firm initiated or jointly initiated. They argued that the manageability of these practices is determined by the locus of initiation. Skålén et al. (2015) identified three aggregates of collaborative practices: interacting practices (enacted by actors to work as a collective entity), identity practices (enacted to unify brands and their global community) and organising practices (pertaining to the working methods and rules regulating how to collaborate and co-create value). They stated that where misalignment of practices occurs based on misalignment of procedures, understandings and engagements, resulting in value co- destruction, each of the three instances of misalignment could be realigned using three strategies. Misalignment of procedures could be remedied by compliance, misalignment in understandings could be remedied by interpretation and misalignment in engagement could be remedied by orientation. Within the B2B space Cabiddu et al. (2019), in a case study involving conversations with practitioners, identified practices which facilitate value co-destruction by affecting four forms of capital – cultural, economic, social and symbolic capital. These practices can affect more than one form of capital and are often enacted in different ways. Thus a value co-destructing practice of lacking knowledge and informational resources can affect cultural capital and can be enacted through underestimating the project complexity or simply lacking information.
Table 4: List of Identified practices (NB: Schau et al. 2009 only focused on co-creation)

<table>
<thead>
<tr>
<th>Author</th>
<th>Author's Focus</th>
<th>Identified Practices</th>
</tr>
</thead>
<tbody>
<tr>
<td>Schau et al. (2009)</td>
<td>Only Co-creation</td>
<td>Welcoming, Empathizing, Governing, Evangelizing, Justifying</td>
</tr>
<tr>
<td>Echeverri and Skalen (2011)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Skålén et al. (2015)</td>
<td></td>
<td>Dialoging, Translating, Praising, Branding, Mirroring, Governing, Questioning &amp; Answering</td>
</tr>
<tr>
<td>(Echeverri and Salomonson, 2017)</td>
<td></td>
<td>Mood Expressing, Caring, Connecting, Responding, Substantializing, Embedding</td>
</tr>
<tr>
<td>(Yin et al., 2018)</td>
<td></td>
<td>Instaling, Finding, Riding, Parking, Placing</td>
</tr>
<tr>
<td>(Camilleri and Neuhofer, 2017)</td>
<td></td>
<td>Welcoming, Expressing Feelings, Evaluating Location &amp; Accommodation, Helping &amp; Interacting, Recommending, Thanking</td>
</tr>
</tbody>
</table>

NB: Schau et al. 2009 only focused on co-creation.
3. STAKEHOLDER ANALYSIS OF CO-DESTRUCTION

The literature treats co-destruction and co-creation as two separate constructs. However, there is increasing evidence that both should be treated as likely possibilities with every interaction (Plé and Cáceres, 2010). This dual treatment has led to a difference in focus in terms of publications on co-destruction and on co-creation. The bulk of co-creation experiments have been developed to emphasise the occurrence of co-creation at the expense of the possibility of co-destruction. In the following sections, we build on our understanding of where co-destruction occurs and how it occurs, delving deeper into the literature relating to co-destruction, focusing on the firm, consumers and virtual communities. The firm and consumers represent the most common units of analysis. This is because value formation was largely considered to occur primarily between the firm and the consumer (Siguaw et al., 2014), due to the focus of the SD logic on this dyad when it was introduced. Vargo and Lusch (2008b), however, argue that value creation occurs beyond this dyad, claiming that the venue of value creation is the value configurations—economic and social actors within networks interacting and exchanging across and through networks. To this end, two extra sections focusing on value destruction between firms and multiparty co-destruction of value beyond the dyad of the firm and the consumer have been included.

3.1. Firm Co-destruction of value (Business to Consumer)

Various factors within the firm have been identified as barriers to consumer engagement. These factors are usually embedded in the firm's strategy, organisational structure and culture (Chathoth et al., 2014). Inadequate intra-organisational factors, such as information flow (Kaartemo and Känsäkoski, 2018, Järv et al., 2018), communication (Sthapit, 2018, Espersson and Westrup, 2020), bad behaviour (Sthapit and Björk, 2019) and technology (Malar et al., 2019), could serve as barriers to effective consumer engagement, which could hamper the firm's co-creation efforts. These factors can undermine consumer engagement by reducing the amount of information available to consumers for decision making, reducing interaction with consumers and reducing the access of consumers to transformational channels. Sthapit and Jiménez-Barreto (2018) in their study on antecedents of value co-destruction identified improper communication between guests and hosts on Airbnb as one of the factors responsible for negative experiences. Whilst proper communication was identified as a factor which could help build trust and minimize uncertainty, consumers emphasised how the 'lack of', or improper, communication leads to service failure and a feeling of being devalued as a consumer. Säwe and Thelander (2015) and Kaartemo and Känsäkoski (2018) also identified communication as an important factor in determining if value is co-created or co-destroyed during interaction with firms. Säwe and Thelander (2015) investigated value co-destruction and co-creation during an art event organised by the Swedish municipality of Helsingborg in a city renewal project. During the event, improper framing and poor communication resulted in a less than ideal experience for the participants. Activities and exhibitions were not as engaging as they were designed to be due to a lack of information about their usage and unclear framing. Kaartemo and Känsäkoski (2018) also found that the risk of co-destruction increased when a healthcare organisation’s information and knowledge is poorly communicated, often in situations where information is collected by people other than the professionals who eventually need the information.

Despite poor communication being identified as a factor which facilitates co-destruction, Osei-Frimpong et al. (2015) study on service experiences between physicians and patients in the consulting room shows that excess information and knowledge can also lead to the co-destruction of value. With healthcare service delivery typically considered a knowledge intensive service, doctors are typically more knowledgeable in comparison to their patients. This, however, is changing with the advent of consumerism. Patients are becoming more knowledgeable and informed due to access to information in relation to their health needs. This influences their inputs in the consulting room through information sharing, ultimately leading to practices engaged in by the patient which healthcare providers find difficult to accept. Besides communication and information flow, other factors such as the literacy of both the healthcare provider and patients (Palumbo and Manna, 2018) have also been identified as something which could influence the outcome of interactions. Value co-creation requires the congruent integration of resources between the provider and the beneficiary and inadequate health literacy prevents the patients’ contribution to health service design and delivery, thus compelling the healthcare professionals to adopt an approach which regards the patient as a mere recipient of health services.

Caru and Cova (2015), in their study of consumption practices which lead to the co-creation of collective service experiences, identified eight practices (Table 4), utilising a case vignette approach. They organised the practices to highlight the initiator of the practice (firm, consumer or both parties)
and the impact of the practice (co-creation or co-destruction). Four of the identified practices could be initiated by either the firm (volunteering and queuing) or the consumer/community (performing and judging), which could result in both co-creation and co-destruction. Out of the remaining four, three of them (value sharing, informing and exulting) could be initiated by either the firm or the consumer/community and result only in co-creation, while the last one (helping) was identified as a company-driven practice resulting only in the co-creation of experiences. Carù and Cova (2015) identified two traits which define these practices. The first trait is their ambivalent nature, which refers to their ability to result in either co-creation or co-destruction. The second is their relative unmanageability, which refers to the unsuccessful efforts of the firm to control certain practices. In the creation of these collective experiences, the firm usually shapes the experience, but the experiences will not occur if the consumers are not willing to participate. The ultimate representation of these experiences and the enactment of the associated practices therefore depend on the consumers’ participation. This participation depends on the firm’s ability to engage consumers.

3.2. Firm Co-destruction of Value (Business to Business)

Within service production, value co-destruction could occur within the firm’s network during business to business interactions or business to consumer interactions and it could be initiated simultaneously by both interacting parties or by each individually. Vafeas et al. (2016) identified antecedents to diminished value between client/agency exchange, while Becker et al. (2015) focused on the co-creation and co-destruction of value in client/consultant interactions. Vafeas et al. (2016) interviewed both clients and agencies to identify concepts, which were then aggregated to identify five antecedents to value co-destruction. The antecedents identified (absence of trust, Inadequate communication, inadequate coordination, inadequate human capital and the power/dependence balance) could lead to diminished value outcomes and were categorized as client, agency or joint-situated resources. This study showed that value destruction could be initiated by either the client, the agency or jointly by the client and the agency. Becker et al. (2015), in their study on business to business interactions, also showed that both parties could either initiate value destruction individually or jointly. However, they utilised an approach-avoidance motivation concept, which indicates the urge of a person to either approach or withdraw from a desired or undesired stimulus. In their study, they identified stimuli which, when introduced by either party, could induce an ‘approach’ by the recipient leading to co-creation, or induce ‘avoidance’, leading to co-destruction. They also identified stimuli (objects, events, possibilities) which, when introduced, could be interpreted either positively or negatively. Identified stimuli ranged from positive and negative verbal communication (messages and references) to positive and negative non-verbal communication, such as smiling or frowning and maintaining or not maintaining eye contact. The dynamics of interactions between consultants and clients were also found to pass through various stages of value destruction and value co-formation. Kantanen (2017) studied how value was co-created or co-destroyed during a communication improvement programme carried out at a medium-sized family firm. At a point during interaction, value was temporarily destroyed for the consultant due to lack of awareness of practices within the organisation. This was during a role playing session between client participants, who chose to demonstrate a negative case. This initially caused confusion for the client, who was not aware of practices within the organisation, but ultimately led to a session of co-formation since fruitful discussions emanated from the event.

Within the literature, other authors have touched on value co-creation and co-destruction in; project management, where a single case megaproject was analysed and factors such as decision-making invoked the potential for co-destruction (Smyth et al., 2018); e-government, where the risk of co-destructive outcomes increases with increasing boundary complexity between collaborating communities (Uppström and Lönn, 2017); sales, where customer orientation was found to increase value and a sales orientation was found to destroy value (Singh and Koshy, 2011, Jayashankar et al., 2019); and in startup businesses, where startups, through their relationships with other firms, co-created or co-destroyed value (Hasche and Linton, 2018).

3.3. Consumer Co-destruction of Value

What value is to the firm is different to what value is to the consumer (Grönroos and Voima, 2013). Understanding consumer behaviour and psychology (Worthington and Durkin, 2012) is therefore important if firms are to minimise the consumer’s value-destroying interactions and maximise the consumer’s value-creating potential. Just as in the case of the firms, not much work has been done to understand the customer’s value-destroying potential. Consumers interact with firms at various points along the value creation chain (Roser et al., 2013) and just as value can be co-created at any point on the value creation chain, value can also be co-destroyed (before, during and after interactions
(Järvi et al., 2018)). During interaction with the firm, a spectrum of consumers experiencing either value co-creation or value co-destruction can be found at any point (Stieler et al., 2014). This resonates with the nature of value, which is individualistic (Gronroos, 2011), and the service dominant foundational premise, which states that “value is always uniquely and phenomenologically determined by the beneficiary” (Vargo and Lusch, 2004, Vargo et al., 2008). The consumer therefore plays a very important part in determining if value is co-destroyed or co-created.

Whether value will be destroyed or created depends on the consumer's behaviour (Kashif and Zarkada, 2015), which is influenced by their expectations (Plé and Cáceres, 2010, Echiverri and Skalen, 2011), factors such as values and traits (Ogunbodede et al.), available resources (Smith, 2013) and the community (Skålén et al., 2015). The consequences of customer behaviour on employee performance, satisfaction, commitment, and turnover intention was studied by Yi et al. (2011). Yi et al. identified the positive effects that consumer behaviours have on employee performance, satisfaction and commitment. Their study focused only on beneficial customer behaviours but they stated that customer behaviours could take negative forms, such as negative word-of-mouth, or uncooperative and unprompted behaviour, which could negatively affect employee satisfaction. Kashif and Zarkada (2015) also studied value co-destruction between customers and frontline employees. However, they focused on the negative effects and identified incidents of customer abuse of frontline service employees during service encounters within the banking sector. This misbehaviour occurs frequently, has the potential to affect the reputation of the firm and has dire consequences on the firm’s employees and other customers. They highlighted various motives behind customer misbehaviour and these include financial gain motives, ego motives and revenge motives. When interviewed, employees of these organisations attributed skill and time inefficiencies directly to customer misbehaviour incidents. These incidents also affected the employees' relationships at work and their commitment to remaining in the same job. Kashif and Zarkada (2015) also discussed the incidents with consumers. A few of these customers believed their behaviour was appropriate in certain scenarios. They attributed their actions to failure of the firm to live up to certain expectations.

Expectations play a critical role in determining the value experience of consumers (Woodruff, 1997a). Both the firm and the consumer have certain expectations in relation to their own role and the role of other actors within the service system (Bateson, 2002). Where there is congruence in the expectations about the way resources should be utilised during the interaction, value co-creation occurs (Plé and Cáceres, 2010). In situations where there are discrepancies in the expectations of the way resources should be integrated within the service system, value co-destruction occurs. Consumers therefore expect certain value dimensions to be met (Stieler et al., 2014) and the failure of the firm to meet these expectations results in sub-par experiences for the consumer. Within a service system, consumers are willing to devote resources in order to meet these value dimensions (Stieler et al., 2014). Consumers devote material, conditions, self, social and energy resources, while the firm devotes its people, technology, organisation and information resources (Smith, 2013). When the experience during the interaction does not meet the expectations of the consumer, the consumer experiences a loss of resources (Smith, 2013). This resource loss could result in emotional responses (anger, disappointment, regret, worry and anxiety) or behavioural responses (switching, complaining or negative word of mouth). The resultant destruction of value affects the wellbeing of the service system. The service experience between the firm and the customer could also be modified by the presence of other actors (community). This is discussed in the following section.

3.4. Co-destruction in Multiparty Interactions

The above represents work done on co-destruction within a dyadic perspective and represents co-destruction in its simplest linear form of provider-consumer interactions. In practice, however, co-destruction, like co-creation, often occurs in scenarios involving multiple actors (Ekman et al., 2016, Luo et al., 2019) and the collective intention of multiple actors could have profound effects on behaviour (Finsterwalder and Kuppelwieser, 2020). As such there is a need to understand value creation not just for individuals but also within the network the user is embedded in (Caicé et al., 2018). Work done by Stieler et al. (2014), Kim et al. (2019) and Fyrberg Yngfalk (2013) on interactions within football matches, albeit from different perspectives, sheds more light on how value co-destruction occurs in multiparty interactions. Stieler et al. focused on the atmosphere within football and studied how resources from various actors including spectators, journalists and footballers contribute to the atmosphere. They argue that individuals expect a certain value dimension to be met (for example, the expected atmosphere in the stadium, which could relate to any dimension of value being co-created between the firm and the customer in the presence of other actors). Once this dimension is not met, co-destruction occurs, which can be measured on an individual level. In addition, the co-destruction of one dimension may lead to the co-destruction of other dimensions and they
identified various value dimensions which are features or services which contribute to the total value of actors involved (Woodruff, 1997b, Ekman et al., 2016). Finally, they conclude that co-creation or co-destruction is always a collective experience which involves multiple actors regardless of the importance of the individual expectations. This collective co-creation or co-destruction experience was also reported by Kim et al. (2019) in an empirical study on sporting events. Kim et al. (2019) showed that other consumers' passion had a positive influence on the focal spectators' social, emotional and epistemic value and their dysfunctional behaviour had a negative influence on the focal customers' emotional value, contributing to value co-creation and co-destruction respectively. Fyrberg Yngfalk (2013) also studied interactions between multiple actors within the football community. By adopting a socio-cultural perspective, Fyrberg Yngfalk identified the diverse interest of multiple actors to study the effects and implications they have on value creation. Fyrberg Yngfalk highlighted the fact that actor interactions could introduce resistance. However, this should not be misunderstood to be co-destruction. Fyrberg argued for the recognition and the creation of meaning as integral parts of every interaction and consumption practice. From this perspective, resistance could lead to new meaning creation and innovation and she gave an example of how hooliganism could be converted into commercial opportunities.

Hiler et al. (2018) studied co-competition within the multiplayer online role-playing community, where multiple parties with mutually exclusive goals competed for the rights to co-create with a firm. Their findings show that when discordant groups are involved, there is a likelihood that value will be co-destroyed due to their differing abilities and creative disposition. The co-destruction of value in the presence of multiple actors was also highlighted by Crowther and Donlan (2011) in their study of value co-creation during marketing events. Their interview with attendees showed that the multiple inputs of stakeholders across the event contributed to a lack of coherence of purpose and design. This undermined the value co-creation potential of the event, which would have been attained if congruence between strategy and design had occurred.

3.5 Co-destruction in Virtual Communities

Understanding how value can be destroyed via virtual communities over the Internet is also important. The Internet enables new forms of consumer / producer interactions (Fuller et al., 2009) and virtual communities over the internet can facilitate service delivery (Sawhney et al., 2005). This has resulted in an increasing number of firms hosting virtual customer environments (Nambisan and Baron, 2009). Whilst these communities enable consumers to co-create freely, Bonsu and Darmody (2008) argue that they also facilitate the colonisation of collective consumer minds and the commodification of consumer creativity. Considering the growing importance of these communities and the new forms of consumer-firm interactions they facilitate, understanding how value can be destroyed within these communities is important. Within the literature, publications have touched on the potential of virtual communities to facilitate co-destruction of value through showrooiming behaviour (Daunt and Harris, 2017), within luxury brands (Quach and Thaichon, 2017), via social media (Dolan et al., 2016, Dolan et al., 2019), through counterfeit selling (Quach and Thaichon, 2018), through online shopping (Siddique et al., 2021) and through online travel communities (Lv et al., 2021).

Dolan et al. (2016) studied the role of social media content in facilitating engagement behaviour between the firm and its consumers. They identified how content on the platforms could stimulate positively or negatively valenced engagement levels. The levels of engagement were spread across a continuum, with the highest level of positive engagement being co-creation and the highest level of negative engagement being co-destruction, which ultimately results in a destruction of brand value. Dolan et al. ’s work highlights the need to develop frameworks which could help understand co-creation and co-destruction simultaneously, as opposed to treating them separately, since both could potentially occur within every interaction. Dolan et al. (2019) also studied tourist complaining practices on social media and identified three distinct practices which could lead to either co-creation or co-destruction - solution seeking (when consumers demand explanations following a service breakdown), support seeking (desire to seek emotional support, sympathy from others) and social engagement (showing their knowledge by warning or cautioning fellow community members). These practices only lead to co-destruction when consumers get unsuitable or incongruent responses from the firm when they are seeking solutions, when social support is not received when they seek support on social media and when the company tries to resolve or correct warnings provided by the consumer to other consumers during social engagement.

(Zhang et al., 2018) focused on understanding the conditions under which customer engagement co-creates or co-destroys value in online channels, identifying people (customers and employees), the organisation, company competency and technology as factors associated with negatively valenced customer behaviour. In their study, co-destruction occurs when customers seek revenge or retaliation,
frontline employees lack soft skills or speak negatively about the firm to consumers, technology fails, the organisation is deceptive or there are long delays due to incompetence. Brand engagement and its potential for value destruction on Facebook was also studied by Peeroo et al. (2017). Peeroo et al. (2017) identified two ways in which consumers engage on facebook – consumer to business (C2B) and consumer to consumer (C2C), both with the potential to co-create or to co-destroy value. Co-destructive interactions usually take the form of negative word of mouth or complaints in C2B interactions, while sharing information about other companies' products or open criticism of other consumers result in co-destruction in C2C interactions. Robertson et al. (2014) investigated how online medical self-diagnosis has led to customers misdiagnosing themselves and adopting inappropriate treatments, which could sometimes be fatal. They outline a multi-pronged, multi-stakeholder perspective to minimise the occurrence of value co-destruction in online self diagnosis. This involves regulating healthcare information published online and ensuring it meets defined standards and a second approach, which ensures the compliance of consumers, health care professionals, regulators e-health providers and industry bodies/non-government organisations.

In contrast to the bulk of the literature, which focuses on the benefits of online innovation communities, Gebauer et al. (2013) focused on how value can be co-destroyed by highlighting the negative consequences and dissatisfaction found within these communities. They studied the dysfunctional behaviours found in online innovation communities and identified factors within these communities that influence these forms of behaviour. They observed an international online design contest conducted on a community platform on the internet. This contest was set up by a leading retail brand in Austria to co-design shopping bags. Following design submission, participants were invited to vote for and comment on the designs of fellow participants. The final design was selected by a jury consisting of the CEO of the company, a professional designer and the publisher of Austria's news magazine with the largest circulation. Following the announcement of the winner, negative discussions about the winning design emerged. Gebauer et al. (2013) identified dissatisfaction with the outcome, perceived unfairness due to a lack of transparency by the firm and a sense of community (the community had developed expectations about what the winning design should be) as the reasons for the negative reactions since the jury's decisions did not meet their expectations. This led to emotions such as anger, frustration, irritation, negative word of mouth and a desire for revenge. These negative opinions were also identified on other social networks. Whilst the firm was able to successfully co-create one dimension of value (successful bag design) it ultimately resulted in the co-destruction of other value dimensions (dissatisfaction on the part of the consumers, negative comments about the brand on other social platforms etc).

3.6. Conceptualising the Co-destruction of Value

The lack of attention to co-destruction has been due to the positive connotations associated with the term value and the positive focus of the foundational premises of the SD logic. This positive connotation could be linked to a prejudice for the positive outcomes of value formation and, because of this, experiments have been designed to identify the positive elements of interactions. This has led to the development of frameworks touching only on co-creation, ignoring the possibility of co-destruction. With the relatively low number of publications on co-destruction, the concept is not fully understood and requires more studies to improve its conceptualization and theoretical development. Although value destruction in the SD logic was highlighted by Plé and Cáceres (2010), who defined and labelled ‘co-destruction’, misunderstandings about what the concept really is have started emerging within the literature (Vafeas et al., 2016). To avoid a similar path to that of co-creation, there is a need to identify the boundaries of the concept and postulate a more fitting definition.

Better understanding of value, resources and how they are integrated in practice will lead to better understanding of co-destruction. Congruent resource integration in practice results in value co-creation, while the incongruent integration of resources results in value co-destruction. The resultant creation or destruction of value depends on how the actors expect their resources to be integrated (Plé, 2016). It is therefore important to define whose value is being created (Saarijärvi et al., 2013) (the beneficiary) then we can identify whose value is being destroyed. In a simple dyadic setting between a provider/firm and a consumer/beneficiary, once the beneficiary has been identified, the expectation of the beneficiary about the use of their resources should be determined. Typically, this will range between low expectations and high expectations. During the interaction, the provider will either meet these expectations, surpass the expectations or leave the beneficiary with unmet expectations. This is represented on a matrix (Figure 1), with the beneficiary’s expectations on the vertical axis and the provider's performance on the horizontal axis.
It follows, therefore, that as long as the provider meets or exceeds the beneficiary’s expectations of how their resources should be integrated, value will be co-created. Value will only be co-destroyed in situations where the beneficiary has high expectations of how their resources should be integrated but the firm underdelivers on its service promise. Thus, irrespective of the beneficiary’s expectations, value will always be co-created if the firm exceeds its service promise. In situations where the firm underdelivers, value will not be destroyed if the beneficiary has low expectations of how their resources should be integrated.

The locus of value co-destruction depends on the logic being applied. Various logics have been proposed based on the understanding of who determines value and where value is co-created. The GD logic puts the firm at the centre of value co-creation, the SD logic puts the customer at the centre, the service logic stipulates that value is co-created during interactions between the firm and the consumer, while the CD logic argues in favour of value co-creation within the consumer's sphere. This is represented in Figure 2 below.

Irrespective of the adopted logic, value co-destruction can occur at any point. The locus of value co-destruction can be determined by asking the question ‘whose value is being created?’ Is it the firm, the consumer or members of the community? Only after this has been determined can we identify where value is being co-destroyed. The question of whose value is being created is also important because multiple dimensions of value can be created. For Stieler et al. (2014) this is because value co-destruction like co-creation does not occur in isolation (i.e. firm/consumer dyad). There are multiple actors involved who integrate resources to form multiple dimensions of value in practice. The dimension of value being co-created should be identified before determining which dimension is co-destroyed. It is also important to note that value co-destruction of one dimension can lead to value co-destruction of another dimension within a network of multiple actors.

4. FUTURE RESEARCH AGENDA

This paper has provided a review of the literature on the co-destruction of value. The review shows that, unlike co-creation, co-destruction has not received much attention and various areas which have received ample attention within the co-creation literature have not been studied considering the
possibility of the co-destruction of value. By reviewing articles within the literature, this paper has identified the state of research on co-destruction. It has also identified key areas which need more attention within the co-destruction literature. These three areas centre around understanding the firm, the consumers and interactions between both the firm and the consumers.

4.1. Understanding Firm/Consumer Interactions

Consumers interact with firms at various points along the value creation chain (Roser et al., 2013). This could be in new product development or service production. At any point on this chain, value can be co-destroyed or co-created. The nature of consumer involvement and the stage of involvement determines the vulnerability of the firm to the co-destruction of value. Future research needs to:

- **Refrain from treating co-destruction and co-creation as separate constructs**: Both co-destruction and co-creation should be seen as likely outcomes of every interaction and frameworks for both co-destruction and co-creation should be developed simultaneously. More specific research should be geared towards understanding co-destruction, where it occurs, how value can be destroyed for and by the firm and the consumer and what other factors contribute to the co-destruction of value. There is a need to develop scales to measure co-destruction in a similar manner in which scales have been developed to measure co-creation (Yi and Gong, 2013). It is also necessary to identify previous research on co-creation with empirical work biased towards identifying the positives of interactive value formation; these experiments need to be readdressed to identify the negative side of interactions.

- **Focus on the multidimensional nature of value during interactions**: Many of the existing publications focus on isolated dyadic scenarios and study only single dimensions of value co-created or co-destroyed between firms and consumers. In reality, firm/consumer interactions are not isolated and multiple dimensions of value are being simultaneously co-created and co-destroyed. The presence of other stakeholders (community) could also negatively influence the firm/consumer interactions. Future research could capture this multidimensional nature to give a true picture of value co-creating and value co-destroying activities.

- **Shed more light on understanding consumer participation across various stages on the value chain**: As firms continue to adopt co-creation, consumers will be involved in co-creation with the firm at different stages and to different degrees (Hoyer et al., 2010). Just as the value creation potential increases, the possibility of value destruction also increases across these stages. Researchers could focus on identifying how value can be co-destroyed to highlight to what degree consumers should be involved in co-creation at different stages.

- **Highlight the effects of co-destruction**: Typically, the literature focuses on highlighting the antecedents to co-destruction (Corsaro, 2019). Less work has been done to highlight its effects on the firm and the consumer. Co-destruction could have profound effects on the firm’s brand, the consumers’ loyalty etc, and this could also negatively influence future interactions. Future research should focus on highlighting how co-destruction by firms affects consumers and vice versa.

4.2. Understanding the Consumer

To ensure effective co-creation, consumers have to participate and their participation depends on their awareness, perceived role clarity, perceived ability, their expectations (Plé et al., 2010) and their motivation. This not only determines if consumers will participate or not, but also how effectively they will participate. In addition, at any given point, various consumers are interacting with the firm. Whilst value can be co-created for one consumer, value can be co-destroyed for another. It is therefore important to:

- **Understand consumer expectations while interacting with the firm**: Value will only be co-destroyed in situations where the firm does not meet the expectations of the customer (Plé, 2016). Consumers are a heterogeneous group when it comes to their expectations. Future research should focus on understanding the reason for differing expectations between customers and how the firm’s homogeneous offerings can result in value destruction for both the firm and its customers. This should also seek to make recommendations which will help the firm segment its offerings to match customers with similar expectations. Besides understanding the expectations of the firm by the consumer, future research should study the expectations of the consumers by the firm. This will help understand what contribution and resources the firm expects from its consumers and highlight if this is optimal for co-creation.

- **Understand consumer resources and how they are integrated in practice**: Whilst there are publications touching on consumer resources (Smith, 2013) and practices (Echeverri and Salomonson, 2017, Echeverri and Skalen, 2011), they do not offer a comprehensive list of all the resources consumers sacrifice while co-creating with the firm and how they are integrated in
practice. A mismatch in resources could result in less than optimal value co-creation, which in essence is value co-destruction. This could result in negative behaviours which could have serious consequences for the firm. Future research should be designed to identify the resources sacrificed by consumers during interactions with the firm. More specifically, a resource map should be created to identify the resources associated with each stage along the value creation map. This will help firms better understand consumer reactions and misbehaviours.

- **Understand consumer motivations:** An understanding of why consumers are motivated to co-create has been attempted in the literature (Hennig-Thurau et al., 2004). However, this has not been fully studied within the co-destruction literature. Consumers are motivated by various factors. This could be intrinsic, extrinsic or a combination of the two. More work should be done to understand why consumers are motivated to seek revenge on firms, why they decide to intentionally misuse both their resources and the firm’s resources and to understand the benefits of these actions to the customer. These studies should also reflect the differing motivation patterns across different touch points e.g. virtual communities, service creation, new product development etc.

4.3. **Understanding the Firm**

Just as Sheth and Uslay (2007) identified a spectrum of co-creation involving co-promotion, co-production, co-pricing, co-design, co-distribution, co-consumption, co-conception, co-outsourcing, co-disposal and co-maintenance, firms will continue to involve consumers in every aspect of value co-creation. This also increases their exposure to value destruction. Firms typically have their resources configured towards firm centred value co-creation, however. Future research should focus on

- **Understanding firm resources and processes:** Resource configurations and processes within the firm should be studied to highlight how they can act as barriers to effective co-creation. Firm resources include people, technology, organisation and information (Chathoth et al., 2014). The misuse of any of these resources could result in the co-destruction of value for both the firm and its consumers. Researchers should work with firms to identify resource configurations which result in less than ideal value propositions and seek to make recommendations which could improve the firm’s value offering. These studies should also focus on understanding how these resource configurations are integrated in practice, identifying more practices which can result in value co-destruction. Other factors such as the firm’s strategy, organisational structure and culture should also be studied to understand how they could contribute to value co-destruction.

- **Examine co-destruction in virtual environments:** This is also an important area which has not received much attention. Only a few publications have touched on this within the SD logic. The internet and related technologies facilitate co-creation and can facilitate interaction between firms and consumers. Robertson et al. (2014) showed how consumers turn to the Internet for information and how the original intention of co-created content resulted in co-destruction. Future research should be directed towards understanding specific areas with prevalent value co-destruction. These areas, such as within the healthcare industry as identified by (Robertson et al., 2014), should be studied to understand how they influence consumer decisions and the cost of these decisions to the firm needs to be identified. The destructive efforts of consumers in these communities could also be seen positively and more research should be done to see how the value destroying intentions of consumers could be used to create value for the firm. Virtual communities could also be used in the dissemination of negative word of mouth. This is a common occurrence across all platforms with differing impact on the reputation of the firm beyond the originating platform and beyond virtual communities. More research needs to be done to understand how firms can manage the effects of such damage to contain it within virtual communities and to reverse the effects of this damage beyond the virtual communities.

- **Study co-destruction between firms:** Besides interaction with consumers, firms also interact with other firms in order to create value for themselves and their stakeholders. However, this often results in value co-destruction and there is a need to study how these interactions could destroy value.
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