# Delineating Transformative Value Creation through Service Communications: An Integrative Framework

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Delineating Transformative Value Creation through Service Communications: An Integrative Framework

Rodoula H. Tsiotsou and Sandra Diehl

Purpose. Transformative value is a central tenet of transformative service research (TSR) because it affects individual and community well-being, quality of life, and sustainability. Although transformative value plays a significant role in well-being, the literature suffers from a lack of sound interdisciplinary conceptual frameworks that delineate how transformative value is created in services throughout the service consumption process. Therefore, the purpose of this paper is to examine the nature and role of service communications during the various stages of the service consumption process to enable the creation of transformative value for people and the environment.

Design/methodology/approach. To achieve the above goal, we integrate agenda-setting theory (media theory) combined with framing and relational dialectics (communication theories) as well as Transformative Service Research (TSR).

Findings. In line with the objectives of the study, we propose an integrative framework named Transformative Value Creation via Service Communications (TVCSC) that explains how firms set their transformative corporate agendas through their dialectics with consumers, society, and media. This transformative agenda is reflected in the marketing mix of their services (7Ps) as communicated with various means, physically and digitally (sales/frontline personnel, advertising, CSR, social media, website). Recommendations for a transformative marketing mix are provided. Furthermore, TVCSC illustrates how value is co-created in all customer-firm interactions via relationship dialectics throughout the service consumption process to result in transformative value outcomes.

Originality. This is the first comprehensive framework that explains how transformative value is created through the various communications in services and is the outcome of value co-creation interactions of the service consumption process.

Research Implications. The proposed framework identifies several research gaps and provides useful future research directions.

Keywords: Transformative value; Well-being; Sustainability; Agenda-setting; Relational dialectics; Framing; Value co-creation; Quality of life; Vulnerability; Transformative Service Research (TSR); Marketing mix
1. Introduction

Transformative Service Research (TSR) for improving consumer and societal well-being while ensuring environmental sustainability is becoming a significant research stream in services and marketing (Anderson et al., 2013; Blocker and Barrios, 2015; Fisk et al., 2020). Well-being refers to a person’s overall state, including affective reactions and cognitive judgments about their health and life satisfaction and has been linked to increased survival (Montano, 2021), while environmental sustainability concerns “meeting the resource and services needs of current and future generations without compromising the health of the ecosystems that provide them” (Morelli, 2011, p. 6). Recognizing the pivotal role of consumer well-being and environmental sustainability, the TSR paradigm has emerged. Thus, service research has been directed towards designing and elevating service experiences and systems that will benefit individuals, society, and the planet (Fisk et al., 2020; Rosenbaum, 2015).

A central tenet of TSR is that transformative value is created as a result of service consumption. Transformative value refers to the “uplifting changes” aimed at improving the lives of individuals, families, communities, society and the environment (Anderson et al., 2013). Transformative value is a significant concept in TSR because it affects well-being expressed as physical or mental health, financial well-being, social connectedness, literacy, inclusion, access, capacity building, and decreased suffering (Anderson et al., 2013; Feng et al., 2019; Rosenbaum et al., 2011). Moreover, transformative value is not monocentric (limited to consumers) but polycentric, because it refers to multiple actors such as employees, families, communities, and society at large (Tsiotsou and Boukis, 2022).

Although transformative value plays a significant role in well-being, the literature suffers from a lack of sound interdisciplinary conceptual frameworks (Anderson and Ostrom, 2015) that delineate how transformative value is created in services throughout the service
consumption process for all the actors involved directly or indirectly. The available literature focuses on the service encounter stage disregarding the role of the pre- and post-service consumption stages (Parkinson et al., 2019). Furthermore, previously proposed conceptual frameworks are confined to certain, transformative in nature, service industries (e.g., health services) (Berry et al., 2017; Parkinson et al., 2019; Rosenbaum et al., 2011) and thus, they may not be applicable to all services. Moreover, there is a void in the literature in relation to examining all communications between service firms and customers as well as other actors throughout the service consumption process. Therefore, the purpose of this paper is to examine the nature and role of service communications during the various stages of the service consumption process to enable the creation of transformative value for people and the environment.

To achieve the above goal, we integrate agenda-setting theory (media theory) (McCombs et al., 2014) combined with framing theory and relational dialectics (communications theories) (Baxter and Braithwaite, 2008) with TSR (Rosenbaum et al., 2007). We highlight how service firms can understand customers’ expectations to create transformative value for people, their communities, society, and the environment. Thus, we take a systemic (vs. endemic) approach in TVC that leverages the collective and collaborative nature of service consumption. In line with this objective, we propose an integrative framework named Transformative Value Creation via Service Communication (TVCSC) that explains how firms set their transformative corporate agendas through their communication and dialectics with consumers, society, and media. This transformative agenda is reflected in the marketing mix of their services as communicated with various means, physically and digitally (sales/frontline personnel, advertising, CSR, social media, website). Furthermore, TVCSC illustrates how transformative value is created in service communications/interactions via relational dialectics between various actors throughout the
three stages of the service consumption process (pre-purchase, service-encounter, and post-encounter). The three-stage approach is helpful because it assists academics in developing a clear research focus and direction, and managers in setting objectives and shaping consumer behaviour in a targeted manner, and therefore facilitates efficient resource allocation (Tsiotsou and Wirtz, 2015).

This paper contributes to the literature in several ways. We develop a conceptual framework which is the first comprehensive framework that explains how transformative value is created in service ecosystems as an outcome of the service consumption process. In particular, we link media and communication theories (agenda-setting, framing, and relational dialectics theory) and insights to TSR, thus delineating transformative value creation (TVC) through service communications. Moreover, the three-stage approach of the proposed framework assists managers in designing and optimizing service communications/interactions so that they can create transformative value through the service experience and contribute to improved consumer and societal well-being and environmental sustainability.

The paper is organized as follows. First, we present the proposed framework, TVCSC, by discussing the literature on TVC, agenda-setting, framing, and relational dialectics. Then, we analyze how value is co-created in each stage of the service consumption leading to TVC. We discuss the theoretical and practical implications and conclude with valuable research directions.

2. TVCSC: An Integrative Framework

In the present paper, based on the main tenets of agenda-setting and framing theory along with relational dialectics theory (RDT) and transformative value perspectives, a conceptual
model is developed and proposed, named TVCSC (Figure 1). Agenda-setting explains how the corporate, media, and consumer/public agendas emerge and how they interact to set expectations for consumers' transformative value experience. Framing as part of attribute agenda-setting determines which attributes will appear most important to consumers and thus, may create tensions between customers and services providers (dialectics). Relational dialectics inform service communications by clarifying, how value is co-created at each stage of the service consumption process through the dialectics (thesis and antithesis) of the actors involved, leading cumulatively to transformative value. Value co-creation is considered a jointly created phenomenon developed through communications and interactions at all stages of the service consumption process.

The four theories complement each other in various ways. Agenda-setting and framing theory explain the service providers’ decisions with regard to designing and positioning their services while TSR elucidates their strategic direction to benefit consumers, society, and the planet. Thus, by virtue, TSR guides to a systemic approach in TVC and extends the service consumption process to include all actors and their interactions to create transformative value. Framing theory directs attention to the core service attributes that should be communicated to various actors such as customers, employees, shareholders, and the media, while RDT explains how value is co-created through service interactions at all stages of the service consumption process as the outcome of resolved dialectics (tensions) between the actors involved.

The three-stage model of service consumption proposed by Tsiotsou and Wirtz (2015) including the pre-purchase, service encounter, and post-encounter stages is used to delineate how TVC takes place cumulatively as the outcome of service interactions and value co-creation communications. In each stage we identify the main service interactions/communications (e.g., consumer communications with marketing stimuli and
interactions with service personnel, with other consumers, and with technologies) and we elucidate their dynamic and evolving nature based on the main tenets of relational dialectics.

### 2.1 Transformative Value Creation under TSR

Value creation is a central concept in marketing theory and management that results from consumer interactions and experiences. However, over the years, there has been a shift from the interactive nature to the dynamic, dialectic, transformative, multi-actor (Blocker and Barrios, 2015; Tsiotsou, 2021a), and multi-level formation of value creation (Tsiotsou, 2021a; 2021b). Value is dynamic because it is characterized by constant changes as a result of the dialectics (theses and antitheses) created between the various actors involved (e.g., consumers, employees, other consumers, and technologies) that interact at various levels of a service ecosystem (micro, meso and macro) and can lead to positive and sustainable changes (e.g., improving the quality of life for consumers and society). *Service ecosystems* are “relatively self-contained, self-adjusting systems of resource-integrating actors connected by shared institutional arrangements and mutual value creation through service exchanges” (Vargo and Lusch, 2016, p. 11). A service ecosystem consists of three levels. The micro level refers to the dyadic interactions where value is created as a result of the interactions between service personnel and consumers. The meso level denotes the triadic indirect service interactions between dyads of actors where value is created within a group of people (e.g., other consumers in brand communities). The macro level concerns complex and simultaneous direct and indirect interactions among triads of actors where value is created for societies and the planet (Chandler and Vargo, 2011; Tsiotsou, 2021a). In service ecosystems, social and economic actors interact through institutions, technology, and language to co-create value (Vargo and Lusch, 2011). Taking a broader perspective, Fisk and Alkire (2021) recently proposed that the micro level of a service ecosystem refers to the private level of individual
and small group interactions; the meso level denotes the public level of interactions involving cities and organizations while the macro concerns the planetary level of interactions between nation states to address various global issues such as the climate crisis. Thus, value creation is no longer considered a firm-centric concept, but consumer-centric and polycentric involving various actors, levels of analysis, and service ecosystems (Tsiotsou, 2021a).

Under the TSR view, TVC refers to the social and ecological outcomes of service offerings that benefit individuals, society, and the planet (Anderson and Ostrom, 2015) such as improved life satisfaction and quality of life, hedonic and eudaimonic well-being (Blocker and Barrios, 2015; Parkinson et al., 2019; Rosenbaum et al., 2011). By adopting a social perspective, Blocker and Barrios (2015) view transformative value as “an intrasubjective and socially intersubjective phenomenon” defined as a “social dimension of value creation that illuminates uplifting changes among individuals and collectives in the marketplace” (2015, p. 265). Transformative value involves evaluative and projective orientations of thoughts and actions, global meaning, eudaimonic outcomes and experiences, and virtuous trajectory (Blocker and Barrios, 2015). TVC is a cumulative process resulting over time from direct value co-creating interactions between consumers and service providers, and/or consumers with others (Parkinson et al., 2019), and/or consumers with service technologies. In line with this reasoning, TVC is a process that results in long-term changes that improve well-being and secure sustainability beyond the service experience (Mudler et al., 2015). For example, research shows that female breast cancer survivors reported lower levels of stress and worries about their disease and higher levels of subjective well-being, when they received breast cancer specific and general social support (McDonough et al., 2014).

Given the increasing participation of consumers in the coproduction of services and their pivotal role in value creation, research has examined the drivers of TVC. Consumers’ effort in value co-creation activities (Sweeney et al. 2015), decreased stress, involvement,
literacy (Mende and van Doorn, 2015) as well as service providers’ organization, communication, and quality of personnel (friendliness and expertise) (Randle and Zainuddin, 2020) have been identified in the literature as determinants of TVC.

Scholars consider transformative value as a mediator between transformative service offerings and well-being outcomes (Blocker and Barrios, 2015). Rosenbaum et al. (2011) posit that value creation may include both intangible (e.g., improved mental, social, or physical well-being) and tangible benefits (e.g., improved quality of life). A significant stream of research links transformative value to either hedonic and/or eudaimonic well-being. Hedonic well-being refers to satisfying self-fulfilling needs/interests and deriving pleasure and happiness while reducing stress from service experiences (e.g., life satisfaction and happiness). Eudaimonic well-being refers to improvements or satisfaction of fundamental needs such as providing access and securing health and safety, minimizing disparities, providing support, and developing strong social networks (Anderson et al., 2013; Barnes et al., 2021; Ryan and Deci, 2001). Eudaimonic well-being is of particular importance to consumers experiencing vulnerabilities because it entails the fulfillment of basic human needs. For example, recreational services for cancer patients involving other cancer patients, survivors, family members, and caregivers may increase their eudaimonic well-being because these patients are not isolated but continue to have a social life. Empirical research links transformative value to consumers’ financial well-being (Guo et al., 2013), enjoyment of participation (Yim et al., 2012), social well-being (Feng et al., 2019), well-being co-creation (Chen et al., 2021), and well-being outcomes such as eudaimonic and hedonic value (Barnes et al., 2021).

Thus, our interest in TVC throughout the service consumption process stems from a desire to comprehend positive and sustainable changes in consumer and societal well-being as well as the environment, as a result of service communications.
2.2. Agenda-Setting and Framing Theory for Marketing Communications

The **agenda-setting theory** is based on research by McCombs and Shaw (1972), who found that media coverage had an impact on what undecided voters considered the most important issues during the presidential election in Chapel-Hill. The **first level of agenda-setting** postulates a substantial influence of the mass media (of the media agenda) on the salience of objects and issues among the audience (on the public agenda or agenda of the media audience) (McCombs et al., 2014). Objects (issues) that receive extensive media coverage tend to be perceived as more relevant by the audience and thus influence the public agenda. The **second level of agenda-setting** addresses the impact of the media agenda on the public agenda related to the salience of the **attributes of these objects** (attribute agenda-setting). “For each object on the agenda, there is an agenda of attributes that influences our understanding of the object” (McCombs, 2005, p. 546). The first level of agenda-setting is about the media shaping the **salience of objects** (what are important issues in the world, e.g., media reports about the #MeToo movement or about a new energy source), and the second level is about the media shaping the **salience of attributes of those objects** (e.g., media reporting on a salient characteristic of the #MeToo movement such as sexual harassment or a salient attribute of the new energy source such as eco-friendliness), while the **third level of agenda-setting** focuses on network agenda-setting, that is the influence of the networked media agenda on the networked public agenda in terms of both objects and attributes (McCombs et al., 2014). The network agenda-setting model “suggests that the news media can actually bundle different objects and attributes and make these bundles of elements salient in the public’s mind simultaneously” (Guo et al., 2012, p. 55). For example, if news media always cover the
#MeToo and LGBTQ-Pride events in the same news stories, audiences tend to connect these two movements in their minds.

At all three levels, agenda-setting affects attitudes, opinions, and behavior. The principal finding that those aspects of public affairs that are prominent in the media also become prominent among the public has been replicated in hundreds of studies worldwide (McCombs, 2005, McCombs et al., 2014, Luo et al., 2019), making agenda-setting theory a very important theory in media and communication studies for the past, present, and future.

Consumers are influenced by various types of media. Another aspect of agenda-setting that is gaining in importance in this context is **intermedia agenda-setting**. Media also monitor what other media report. Traditional offline (e.g., TV), traditional online (e.g., online newspapers) and online social media (e.g., Twitter) influence each other’s agendas (intermedia agenda-setting). Social media such as online blogs pick up on topics reported in traditional media and vice versa (Weimann and Brosius, 2015). An interesting tendency is that, despite the diversification of the media, a homogenization of both media and public agendas has been found in several studies (for an overview see Weimann and Brosius, 2015).

A more recent extension is **agenda-melding**, which takes into account that people combine information from a variety of agendas, merging agendas of the media and valued reference communities with their personal beliefs and experiences (McCombs et al., 2014). Another extension is called **agenda-building**, “the public relations extension of agenda-setting theory” (Yang and Saffer, 2018, p. 423). Agenda-building has a distinct organizational orientation and puts the focus on what organizations can do to positively influence media coverage of themselves and their products (Yang and Saffer, 2018). It has already been applied to political public relations (Kiousis et al., 2007), corporate communications (Ragas, 2013), but also to communication strategies for NGOs (Yang and Saffer, 2018).
To establish a corporate agenda of important issues, companies use different channels including lobbying, testimony, but also issue advertising, public relations programs, and grass-root campaigns (Berger, 2001, p. 98). They try to influence the media and public/consumer agenda, but there is also a reciprocal influence from the corporate agenda to the media agenda and the public/consumer agenda.

Closely related to the attribute agenda-setting (second level) is the concept of framing. The framing theory describes the assumption that the different characterization of an issue in media coverage can influence how the recipient understands the message (Scheufele and Tewksbury, 2006). “Under what conditions do particular attributes – particular ways of framing an object – dominate the way in which the public thinks and talks about these objects? It is here that attribute agenda-setting and framing converge” (McCombs, 2005, p. 546). However, not all attributes are frames. A frame is “a dominant attribute in a message” (McCombs, 2005, p. 546), thus a frame is a central theme and a dominant perspective on the object (e.g., the corruptness of a CEO (frame), despite the fact that he is also philanthropic and environmentally conscious (attributes)). Second level agenda-setting involves both attributes and frames.

For the paper at hand, the second level of agenda-setting, the attribute agenda-setting, is particularly important, along with agenda-building, agenda-melding, and intermedia agenda-setting. It is important for companies to use those attributes as frames in their communication that show that their corporate agenda is transformative.

2.3. **Relational Dialectics and Value Creation**

Due to the interactive nature of service offerings, RDT, a communication theory, is proposed here to inform how value is co-created in each stage of the service consumption process and leads to TVC. According to RDT, people should be seen through the lenses of their
interactions within a service ecosystem (Baxter, 1990), where an internalization and externalization process takes place. Specifically, consumers actively reconstruct and synthesize incoming information and past experiences (internalization), while inner processes are translated into collective transformations (externalization) (Stetsenko and Arievitch, 2004).

Baxter (1990; 2011) suggests that relational life is a constant progress and motion, where interactional, contextual, and public and private dialectics take place. Communications result in tensions, known as interactional dialectics (e.g., customer–service personnel interactions), whereas contextual dialectics result from the place of the relationship within a culture (e.g., a brand community). Public and private dialectics are contextual dialectics resulting from a private relationship and public life (West and Turner, 2010). Consumers try to balance the effects of forces, acting to simultaneously bring them together and pull them apart (dialectics). As they communicate in service interactions, they try to reconcile these conflicting forces named thesis-antithesis (thesis refers to a initial proposition whereas a negation of that thesis is called the antithesis), but they never eliminate the need for both sides of the opposition (West and Turner, 2010). For example, customers try to balance between their privacy (thesis) and freedom (antithesis) of using health services (Tsiotsou and Boukis, 2022), or between what is good for the environment (thesis) and convenient for them (antithesis) when using transportation services (e.g., using an airplane instead of a train).

According to RDT, value co-creation in consumer interactions is the outcome of reconciled conflicting forces (synthesis) and the positive outcome of the continuous struggles of social actors. Recently, Tsiotsou (2021a) proposed the TASC model (Thesis, Antithesis, Synthesis and Conflict) and showed how customer interactions and the relational dialectics that emerge across all levels (micro, meso, and macro) of the social media ecosystem can co-create value. Specifically, she showed that at the micro level, the dyadic interactions between
consumers and brands may create dialectics (tensions) such as *value conflicts* (e.g., racist or sexist brand behavior in advertising) whereas at the meso level, where triadic interactions between brand community members take place, dialectics such as *autonomy and relational connections* (e.g., the struggle between expressing their own views vs. conforming to brand community perspectives) can be identified. At the macro level, where multiple direct and indirect interactions take place, Tsiotsou (2021a) identified dialectics such as *desire for freedom/autonomy vs. oversight and constraint* where there is a tension between customers, social media, policy-makers, and advertisers regarding the level of freedom each actor should enjoy in the social media ecosystem. For example, as a result of policy-makers’ pressure, nowadays, social media platforms prevent consumers and advertisers from posting certain content such as hate speech or racist comments. These restrictions often create tensions because consumers feel that their rights to freedom of speech or access to information are being violated. Due to its focus on discourse in interpersonal and social processes (Fox *et al.*, 2014), RDT is deemed suitable to explain consumer transformative interactions in service ecosystems.

2.4. **Transformative corporate agenda and service marketing mix**

To convey the image that the service provider cares about sustainability and acts in a socially responsible way, marketing communications (*promotion*) play an essential role in the service marketing mix. Yet, the other elements of the marketing mix also contribute to a consistent corporate image (Diehl and Terlutter, 2022) and need to be aligned to the transformative position of the company. Thus, we posit that a service and its marketing mix (7Ps) must be designed to be transformative in order to lead to TVC.

With regard to a transformative *product*, consumers want to be assured that the services offered by the company are safe for them and their families, as well as eco-friendly.
and sustainable in terms of production and consumption (e.g., organic, recycled, or recyclable ingredients), benefitting the individual, society at large as well as the planet, and guarantee fair treatment. Related to the **price** policy, transformative services based on fair-trade conditions for workers and sustainable material use are often more expensive than conventional services. Here, price transparency is important. Bürgin and Wilken (2021) have found that consumers’ purchase intentions toward fair-trade products can be increased through partitioned pricing, which explicitly communicates fair-trade as a separate price component. Campell et al. (2015) also reported that a price increase due to a fair-trade commitment is perceived as fair by consumers and does not negatively affect their purchase intention. Thus, a price increase justified by higher costs due to the company’s CSR activities is more likely to be accepted.

Regarding **place**, a transformative approach is also important. The place where and when the service is available and the way the service is transported should also convey a sustainable image (Larashati et al., 2012). For example, for a hotel or restaurant it would be advisable not to use plastic plates/cutlery and to use, e.g., e-cars or bikes for home delivery to minimize carbon emissions or to use other energy saving measures. For **physical evidence**, the interior of the place of service should look environmentally friendly (e.g., natural colors) and use only sustainable materials (plastic-free environment and decoration) (Larashati et al. 2012). Certifications and labels (such as certified sustainable store) might be useful as well (Harris, 2007).

Regarding **process**, attention must be paid at every step to how customers can be better served and made happy in a sustainable way. Customers should be integrated and encouraged to behave as sustainably as possible, e.g., to re-use towels in hotels. **People** (service personnel) play a particularly important and critical role. They are the spokespersons for the company and should be well informed about the transformative CSR activities and
thus able to answer consumers’ questions regarding the sustainability of the products to avoid dialectical conflicts. Interactions with service employees have the potential to significantly influence and positively or negatively frame consumer perceptions of their service experience and thus, co-create or co-destroy value (Randle and Zainuddin, 2020; Tsiotsou, 2021a). Ideally, the transformative, socially responsible positioning of the service company generated by the other marketing mix elements and corporate communications is reinforced by service employees. CSR is also important for the employees themselves, because employees care about their employer doing good it increases their organizational pride and loyalty towards the employer (Schaefer et al., 2019). This can give companies an advantage in the “war for talent” (Bhattacharya et al., 2008). Randle and Zainuddin (2020) confirmed the essential role of employees for effective social services and for co-creating value, trust, hope and ultimately helping clients to make positive and sustainable behavior changes. They also emphasize that customers should play an active role in value creation. Feng et al. (2019) argue that customers, employees, and companies participate in exchange processes and co-create service value through their interactions. All parties are value-creators and beneficiaries. In total, it is important to implement holistic transformative services through all 7Ps and to create a consistent transformative corporate agenda, that can then influence the transformative consumer/public and the media agenda.

2.5. The role of marketing communications during the pre-purchase stage of consumption in TVC

As for the whole transformative marketing mix, the overarching goal for transformative service communication is to increase individual and societal well-being. Service marketing communications play an important role in the pre-purchase stage of consumption, aiming to attract attention, create interest, and make the firm and its offerings relevant to its customers.
They should stimulate information search, help consumers in their information search process, and provide relevant cues for consumers which help them to evaluate the different alternatives. Consumer information seeking to clarify service requirements and satisfy cognitive needs has been identified as a value co-creation activity in services (Yi and Gong, 2013). Corporate communications also influence consumer expectations.

In this regard, framing is very important. Salient attributes (frames) are more likely to influence the evaluation of the objects (McCombs, 2005). As consumers in general are confronted with lots of information leading to an information overload, they are unwilling and unable to process all the information communicated (Diehl and Terlutter, 2022). It is thus important for service companies to identify frames that enjoy high success among the public and to emphasize these core attributes through communication. Relevant topics that can be addressed with beneficial effects for the individual, society and the planet include waste reduction, carbon footprint reduction, sustainable packaging, commitment to ethical labor practices, and respect for human rights (Deloitte, 2021). Hashtags can be useful frames as well, e.g., #starbuckspride. The term “pride” in the hashtag can serve as a dominant attribute, that indicates the central theme (LGBTQ) and the perspective of the company. Hashtags for other central themes that companies could add include: #planetfriendly, #greenbrand, #zerowaste or #reduceplastic. Hashtags have the advantage of summarizing key issues in very few words and quickly illustrating the company's point of view.

When a company succeeds in establishing a transformative corporate agenda through agenda-building that shows that the company is willing to contribute to the well-being of all individuals, such as Nike taking a stance for Black Lives Matter (BLM) or Starbucks for equal marriage, this is also taken up in the agenda of media (Duarte, 2020; Smith, 2013) and in turn influences the consumer/public agenda. To avoid dialectical conflicts and achieve
synthesis, companies must genuinely support a cause ("walk the talk"), as customers critically verify whether a company's commitment is truly authentic (Duarte, 2020). Starbucks has donated money to organizations promoting racial justice yet has prohibited its employees from wearing accessories that mention BLM (thesis), causing protests by employees and customers (antithesis) and attracting media attention (value conflict dialectic). Thus, employees and customers wondered if they should continue their relationship with the company or not (stability-change dialectic). These reactions forced Starbucks to change its agenda and policy (Allaire, 2020) to resolve the dialectic tension (synthesis). Agendas of different media, the corporate agenda, and personal opinions merge (agenda-melding), therefore an integrated and authentic corporate communication of the company is essential (Diehl and Terlutter, 2022).

Different media exert different effects on consumers, which must be taken into account when designing cross-media campaigns (Diehl et al., 2022). Yang and Saffer (2018) found that agenda-building effects were stronger in traditional media than in social media, thus agenda-building in traditional media requires different strategies than in social media. Himelboim et al. (2014) postulate that engagement is key to boost organizations’ social media presence, influence, and thus agenda-building. Consumer-initiated engagement (reviews/recommendations) has stronger agenda-building effects than organization-initiated engagement (posts/(re)tweets) (Yang and Saffer, 2018) and user generated content is perceived as more helpful and credible than information provided by the service company (Tsiotsou, 2019, 2021b), demonstrating again that corporate, public, and media agendas interact. Engagement efforts must resonate with consumers in order to actively involve them (Yang and Saffer, 2018).

Not only do the various media and forms of communication play a role, but so does personal contact with service personnel. Relational dialectics theory draws attention to the
fact that humans experience collisions between opposing desires and needs within relational communication (e.g., privacy and disclosure of information - expression-privacy dialectic) (Baxter, 1990). Service companies should develop marketing strategies to anticipate tensions (e.g., through social media-monitoring), manage the desired intensity and valence of actor engagement and reinforce value co-creation in service ecosystems.

It is important to attract consumers’ attention in the pre-purchase phase as this is when the customer journey starts and here transformative topics that are relevant to consumers need to be selected and communicated. Marketing communication can be a powerful vehicle for creating holistic emotional brand worlds (Diehl and Terlutter, 2022), which can be particularly successful when the core theme is related to a transformative value (Diehl et al., 2015) that is relevant for individuals, society at large and the planet.

2.6. The service encounter stage and TVC

The service encounter stage involves face-to-face and/or technology-enabled encounters where consumers communicate with service actors such as service personnel, other consumers, and service technologies (Lariviere et al., 2017; Tsiotsou and Wirtz, 2015). Co-creation activities at this stage include information sharing between the actors involved, interpersonal relationships developed, tolerance, and helping others (Yi and Gong, 2013). Consumers interact with various service actors to gain functional, social, emotional, epistemic, and conditional value that will enhance their quality of life and improve well-being (Parkinson et al., 2019; Randle and Zainuddin, 2020).

Consumer-to-service personnel and consumer-to-other-consumers interactions are interpersonal discourses reflecting the idiosyncratic meanings negotiated within these dyadic and triadic relationships respectively (Baxter, 2011; Tsiotsou, 2021a). Consumers interact with service personnel or other consumers through their thesis and/or antithesis and, if there
is a resolution (synthesis), they co-create value. However, if there is no resolution, they co-
destroy value (Tsiotsou, 2021a). Dialectics at this stage may emerge from *value conflicts*
(e.g., unethical firm behavior or procedural injustice) (Grappi *et al.*, 2013), *power and control*
struggle (e.g., imposing to elderly limits in physical activities), *fake vs. authenticity*, and
*ambiguity vs. transparency* (Fournier and Avery, 2011) as well as *service providers’ failure*
to meet consumer expectations raised by corporate and media communication in the pre-
purchase stage, e.g., regarding sustainability or diversity aspects, at the service place.
Unethical firm behavior such as false service claims or hidden terms in user agreements may
result in *value conflicts* and *ambiguity vs. transparency* dialectics respectively, often creating
tensions between service providers and their customers and/or consumer groups. However, if
this dialectic is solved and service providers make true service claims and communicate the
terms of use to their customers, then transformative value is created not only for these
customers but for future customers and society. In other words, they contribute to creating a
fair and ethical society. Berry *et al.* (2017) describe the “*power and control struggle*” as
“*hostage bargaining syndrome*” to denote consumers’ negotiation of a service offering with
service providers (e.g., patients negotiate their health treatment with doctors) from a “weak
position” (e.g., lack of knowledge, fear, and stress).

Four main dialectics emerge from *consumers-to-service personnel* communications:
the *expression-privacy* (i.e., openness-closeness-protection), the *stability-change* (i.e.,
predictability-novelty), the *integration-separation* (i.e., autonomy-connection) dialectic
(Baxter and Montgomery, 1996) and the *inclusion-seclusion*. For example, consumers may be
reluctant to share certain information with service providers (*expression-privacy dialectic*)
and therefore diminish the ability to co-create value (e.g., reluctance of male patients to share
their fears with their doctors, Berry *et al.* 2015). However, if this dialectic is solved, value is
created for both parties involved. Moreover, consumers may acquire emotional support
from service personnel, non-judgmental interactions, and service inclusion (Parkinson et al., 2019) (integration-separation dialectic). So, when service employees show empathy to consumer concerns (e.g., acknowledging the difficulty of losing weight), they co-create emotional value. Employees, on the other hand, may co-destruct value by being judgmental of customers through their body language and gestures (e.g., facial reactions to customers who do not speak the native language well) or choosing not to serve customers of certain race, gender, sexual orientation (inclusion-seclusion dialectic). Thus, they do not destroy value only for these customers (reduce their well-being) but also for their communities and society at large because they violate basic human rights.

In triadic interactions such as consumer-to-other-consumers, two major discursive dialectics of integration prevail: the autonomy and relational connections that denote the struggle between the cultural discourses of individualism and the community and the inclusion-seclusion that addresses actors’ independence from and integration with a consumer group (Baxter, 2011). For example, when other consumers in a gym welcome and provide a sense of belonging to a new consumer (inclusion-seclusion dialectic), they co-create positive experiences and co-create emotional value which improves their well-being (Parkinson et al., 2019).

In consumer-to-service technologies communications/interactions, consumers may interact with self-service technologies such as service kiosk, web-mediated technologies, service robots and holograms. Self-service technology-enabled encounters allow for the co-production and consumption of services without relying on service personnel (e.g., automated teller machines and self-scanning check-in) (Tsiotsou and Wirtz, 2015). In interactions with service technologies when conflicts are resolved (e.g., they are easy to use or trusted), they may create value (Carlo et al., 2012) by providing functional (e.g., convenience), emotional (e.g., reduce stress, increase fun), social (e.g., membership in brand communities), epistemic
(e.g., learn new skills), and conditional benefits (e.g., a customized diet created by a software). In consumer-to-robot interactions, conversational norms of human service providers can be applied as well due to their anthropomorphic features such as human face and voice and capabilities such as rational thought and feelings (Waytz et al., 2014). Thus, robots may co-create value by delivering medicine to patients, performing medical examinations, and providing social interaction to isolated people (Javaid et al., 2020). During the COVID-19 pandemic, technologies and robots created transformative value not only for individuals but also for families, communities and society. For example, Zoom meetings facilitated communication among people, family members, and communities. Social robots provided social assurance and helped the elderly and hospital patients to overcome loneliness. Robots have been used for six purposes during social distance restrictions: public safety, clinical care, continuity of work and education, quality of life, laboratory and supply chain automation, and non-hospital care (Murphy, Ganduli & Adams, 2020). Thus, technology mediated interactions created uplifting changes to individuals, communities, and society during the pandemic.

2.7. **TVC in the post-encounter stage**

In the post-encounter stage, consumers assess the value of the service experience and the quality of service interactions (Hu et al., 2009) and react accordingly. They compare their pre-service expectations, often raised by the frames used in corporate communications, with the outcome of the service experience. If consumers are satisfied, they may remain loyal to the service providers and exhibit positive word-of-mouth behavior offline and online, which can reinforce positive agenda-setting and framing effects. However, if there is a service failure, value is destroyed and customers may complain, and demand reimbursement, or switch service provider. In service failures, dialectics such as “power and control struggle”
(Berry et al., 2017) and “ambiguity vs. transparency” (Fournier and Avery, 2011) can emerge as a result of poor service performance. When a service failure occurs, consumers fail to attain what they expect from the service experience, causing a sense of inequity and injustice (Park and Ha, 2016). However, when the failure is recovered and equity is restored, the dialectic is solved and value is co-created.

Thus, the outcome of the interactions at this stage determines the overall value and results in the cumulative transformative value created throughout the service consumption process (Figure 1). Value co-creation activities at this stage reported in the literature include solicited and unsolicited feedback to service employees and firms as well as consumer advocacy to others such as friends, family and social media users (Yi and Gong, 2013). Value creation can take place for all actors involved such as service providers, customers, other customers, and technology in the form of learning through communications/interactions, adapting, and making creative choices. Solved dialectics lead to transformative value “as organizations and individuals contest and alter the schemas and resources that define consumption reality and the broader social structures” (Blocker and Barrios, 2015, p. 268).

Thus, transformative value is created as a collaborative and creative synthesis of actors’ involved resources and deployment of their capabilities. However, because not all consumers have equal access to the required resources and capabilities (e.g., consumers experiencing vulnerabilities and language problems), service providers need to consider and facilitate them through their communications/interactions to accomplish uplifting and enduring changes (Blocker and Barrios, 2015).

The outcomes of value creation at this stage may be customer knowledge, perceived quality, satisfaction, and loyalty, personal and/or societal wellbeing as well as environmental sustainability (Anderson et al., 2013; Barnes et al., 2021; Blocker and Barrios, 2015; Chen et al., 2021; Parkinson et al., 2019). For example, when customers post their reviews on social
media complimenting a hotel on its sustainability practices (e.g., water reduction efforts, and implementation of waste reduction practices), they promote environmental sustainability and thus, create transformative value for other customers, the firm and its shareholders, and society at large. In addition, employees and other customers may create value for customers in the form of social support (emotional, companionship and instrumental) which improves all three aspects of quality of life (physical, psychological, and existential) and enhances subjective well-being (Parkinson et al., 2019).

3. Theoretical and Practical Implications

This paper seeks to overcome boundaries associated with TVC in the available TSR research. To this end, TVCSC integrates the main tenets of agenda-setting and framing theory along with relational dialectics and transformative value perspectives (Figure 1) to explain how transformative value is created via service communications. Our proposed framework uses the three-stage model of service consumption (Tsiontsou and Wirtz, 2015) to delineate how TVC takes place cumulatively as the outcome of resolved dialectics (synthesis) arising during service interactions and value co-creation communications.

We contribute to theory in several ways. First, we propose an integrative interdisciplinary framework for providing a comprehensive understanding of the role of marketing communications and relational dialectics in creating transformative value in service ecosystems throughout the service consumption process. The four theoretical approaches serve our purpose while the proposed framework is novel and under-investigated. By taking an interdisciplinary approach, we enrich the TSR literature, and we offer scholars a better understanding of the phenomena. By using an interdisciplinary approach regarding TVC, the proposed framework advances knowledge within the TSR literature as to better conceptualize value co-creation communications/interactions (dialectics) and their
transformative outcomes, associated directly and indirectly with the various actors of a
service ecosystem. Second, TVCSC is a holistic framework that signifies the systemic nature
of TSR involving various individual and collective actors as well as techno-actors in the
service consumption process. Third, we extend TSR theory to encompass service provider
interactions with external (e.g., media, consumer groups, policy makers) and internal actors
(e.g., employees) before agenda-setting and their influence on taking a transformative
direction when designing their services. Fourth, TVCSC is a generalizable framework, not
limited to a specific service industry, and therefore applicable to all services (low and high
contact services) and contexts (online and offline). We argue that all service ecosystems can
be transformative either by nature (e.g., healthcare services) or by choice (e.g., the retail
ecosystem) when they make a commitment and adjust their agenda to secure their viability
and achieve sustainability. Thus, all service ecosystems have the potential to create
transformative value.

Moreover, our proposed framework provides several practical implications. Managers
can understand how to create transformative value by designing transformative service
offerings to prevent or solve relational dialectics when engaging in interactions with their
customers throughout the service consumption process and at the various levels of the service
ecosystem. The transformative consumer/public, corporate and media agendas interact.
Topics that are important to consumers, for example plastic waste reduction, influence the
media and in turn also the corporate agenda. This has to be taken into account when
designing the transformative marketing mix and transformative marketing communications,
which should integrate the issue of plastic reduction and reflect it cross-medially across all
online and offline communication channels to positively frame consumers. As mentioned
above, creating a holistic emotional brand/service world is beneficial, for example by closely
and permanently associating the service company with clean seas and healthy marine life.
The image of an environmentally friendly service company can influence the pre-purchase phase (more awareness and better evaluation of the company), the service encounter phase (experiencing a plastic-free product and service environment) as well as the post-purchase phase (higher purchase intention and consumer loyalty, more positive consumer reviews), which is beneficial for the individual environmentally conscious consumer, society, the planet and also the company. Thus, transformative value co-creation occurs for all actors involved throughout the service consumption process and at all levels of the service ecosystem. More positive consumer reviews, in turn, influence the transformative agendas again, creating a virtuous cycle. Relational dialectics can help managers detect and resolve conflicts in advance and during the three stages of the service consumption process.

4. Future Research Directives

Several directions for future research can be derived from the proposed framework (Table 1). Related to agenda-setting theory, more research is needed on how different (social) media channels interact and how each medium influences the building of a transformative corporate agenda (agenda-melding). Therefore, more research is needed to empirically explore the relationships and interdependencies between the consumer/public, the corporate and the media agenda, especially for transformative services. We have addressed framing in a rather general way. Further research is needed to analyze which frames are especially suitable for communicating topics that are relevant to consumers.

While TSR is a growing research area, transformative marketing communications is an under-researched field, and in particular transformative cross-media communication effects (e.g., which media channels are most important in creating and communicating a transformative image). The creation of emotional transformative brand/service worlds (Diehl and Terlutter, 2022) could be very promising for establishing a unique and attractive image.
and positioning in the minds of consumers, however, this is another area where empirical research is lacking. Transformative marketing communication overlaps with CSR communication. In CSR communication, there is a need for further research on the effects of different CSR appeals and domains (such as philanthropy-, environmental-, employee-, or customer-oriented CSR, Schaefer et al., 2019a, 2019b), which can also be transferred to transformative service communication.

The available research sheds light on TVC in the service encounter stage of the service consumption process, disregarding the other two stages (Wirtz and Tsiotsou, 2015). Therefore, future research should examine how service communications in the pre- and post-purchase stages contribute to TVC. Furthermore, there is no empirical evidence on the dialectics developed between the various actors involved (service personnel, consumers, other consumers, and techno-actors) throughout the service consumption process and their role in TVC (Tsiotsou, 2021a). Research shows that an important element of the post-purchase phase, consumer reviews or eWOM, is highly influential on other consumers and impacts service firms (Tsiotsou, 2021b). Reviews are often perceived as being more credible and authentic than corporate communications as they can influence the image and reputation of service providers. Thus, service providers should pay particular attention to negative reviews and exhibit webcare by appointing a service representative responsible for monitoring and intervening in online discussions. Webcare is “the act of engaging in online interactions with (complaining) consumers, by actively searching the web to address consumer feedback (e.g., questions, concerns and complaints)” (Van Noort and Willemsen, 2012, p. 133). With webcare, service firms can respond to consumers’ comments or questions, improve their services, and introduce new ones. Thus, they can increase value for themselves, their current and future customers. However, research is missing on the effects of reviews for transformative services and how value can be created with webcare.
In addition, more research is needed on consumers experiencing vulnerabilities in service settings and the role of marketing communications in TVC. These consumers “enter service exchanges with some type of disadvantage” (Rosenbaum et al., 2017, p. 310), including physical disabilities, older-age, sexual orientation, mental health, language barriers, and obesity. For example, overweight people are disadvantaged and they do not have a pleasant trip experience when they move within an airplane due to the narrow aisles, use the toilets or sit in airplane seats which have been shrunk in the past few decades and designed without considering their needs (“the one-size-fits-all” approach Fisk and Alkire (2021) have denoted). Thus, service inclusion which is the “fair access to a service, fair treatment during a service, and fair opportunity to exit a service” (Fisk et al., 2018, p. 835) and how this is communicated throughout the service consumption process to create transformative value is a valuable research avenue. Service organizations could benefit from such research because they would understand how they can create value for consumers experiencing vulnerabilities. For example, designing inclusionary practices such as Braille for blind consumers or read aloud options for visually impaired consumers (online or offline) and communicating them to their employees and customers may create transformative value for all actors involved.

One critical issue should also be mentioned. Many service companies have jumped on the bandwagon of sustainability, social responsibility, and TVC. However, transformative services must meet certain criteria in order to be trustworthy and avoid impressions of greenwashing or rainbow-washing. Greenwashing occurs when a company misleads its stakeholders about its environmental practices or the environmental benefits of a product or service (Seele and Gatti, 2017; Schaefer et al., 2020), whereas rainbow-washing refers to a company's use of LGBTQ symbols to merely signal its support through corporate communications for commercial purposes without further advocating for the LGBTQ community or its rights (Champlin and Li, 2020). Transparency and authenticity are important
(Schaefer et al., 2019), but more research is needed into which criteria transformative service companies need to fulfil to be credible.

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Figure 1. The Transformative Value Creation through Service Communications (TVCSC) framework (Agenda-Setting, Framing, Relational Dialectics, TSR, The Three Stage Model of Service Consumption)
Table 1 Future research directions on TVC

<table>
<thead>
<tr>
<th>Research Area</th>
<th>Future Research Directions</th>
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| Agenda-Setting                | 1. Contribution of each medium to the building of a transformative corporate agenda   
|                               | 2. Interaction of different media channels, especially social media channels in transformative agenda-building/agenda-melding                                             
|                               | 3. Relationships and interdependencies between the consumer/public, corporate, and media agenda                                                                                                                          |
| Framing                       | 1. Identification of successful transformative frames that resonate with consumers                                                                                                                                        
|                               | 2. Comparison of the effects of different frames in creating a transformative image                                                                                                                                     
|                               | 3. Frames that are successfully transformative among different target groups and in different countries/cultures                                                                                                        |
| Relational Dialectics         | 1. Identification of the dialectics developed between the various actors in all stages of the service consumption process                                                                                               
|                               | 2. Examination of the role of dialectics in TVC                                                                                                                                                                           
|                               | 3. Identification of dialectics when the consumption process involves consumers experiencing vulnerabilities and their role in TVC                                                                                           
|                               | 4. Strategies actors involved in value co-creation/co-production use to deal with the dialectics and create transformative value                                                                                           |
| Transformative Service Research | 1. Transformative multi-actor engagement (including consumers experiencing vulnerabilities)                                                                                                                                 |
|                               | 2. Contribution and effects of new technologies such as robots, chatbots, VR and AI in the transformative value creation process                                                                                       
|                               | 3. How value is co-produced throughout the service consumption process involving consumers experiencing vulnerabilities                                                                                       |
| Transformative Service Communications | 1. Cross-media communication effects – most important media channels in creating and communicating a transformative corporate image                                                                                   
|                               | 2. Creating emotional transformative brand/service worlds                                                                                                                                                                 
|                               | 3. CSR domains that should be used in transformative communication                                                                                                                                                     
|                               | 4. Influence of reviews or eWOM in building a transformative image and creating transformative value                                                                                                                        
|                               | 5. Cross-cultural differences in consumers’ expectations of transformative services                                                                                                                                       
|                               | 6. Criteria to establish authentic and credible transformative communication                                                                                                                                            
|                               | 7. Identifying the most effective webcare actions service providers should implement to create value from online reviews                                                                                               |