

Value Co-Creation as a Promotional Strategy to Build the Institutional Image to a Hospital Located in the South of Brazil (an Abstract)

Melissa Kanitz and Flávio Brambilla

EasyChair preprints are intended for rapid dissemination of research results and are integrated with the rest of EasyChair.

VALUE CO-CREATION AS A PROMOTIONAL STRATEGY TO BUILD THE INSTITUTIONAL IMAGE TO A HOSPITAL LOCATED IN THE SOUTH OF BRAZIL (AN ABSTRACT)

Melissa Teresa Kanitz (<u>melissakanitz@unisc.br</u>)
Universidade de Santa Cruz do Sul (UNISC), Brasil.

Flávio Régio Brambilla (<u>flaviobrambilla@terra.com.br</u> / <u>flaviobr@unisc.br</u>) Universidade de Santa Cruz do Sul (UNISC), Brasil.

Key-words: Co-creation Practices; Service Dominant Logic; Brand Image.

INTRODUCTION

The information revolution in the last two decades, especially, has been everyone for everyone, raising the power of the individual, making him active in value creation. Thus, within a network of other actors, it exerts power and influence through their individual knowledge and skills that they use to their benefit and to share with others (JOINER and LUSCH, 2016).

The philanthropic hospitals in Brazil currently provide 52% of all care provided by the Unified Health System of Brazil, accounting for one third of existing beds, with a network distributed in several states and municipalities (Brazilian Ministry of Health, 2016). In this scenario, these health facilities need, in addition to providing fast, efficient and quality care, ensuring the image they reflect in the community in which they operate, since, allied to the lack of resources of these institutions, the financial crisis that the most philanthropic hospitals have been facing, can damage your image.

In this context, the objective of the present study was to perform an analysis on the perception of the image of a hospital located in the southern region of Brazil (in the state of Rio Grande do Sul), seeking to evaluate how co-creative practices can assist in promoting of brand image. For this, we considered the concepts presented by the Service Dominant Logic of Marketing by Vargo and Lusch (2004), bringing the participation of all actors in the process of value co-creation.

BACKGROUND

Service Dominant Logic of Marketing

In the era known for many as a postindustrial age, there are revolutions in service, transportation, and especially in computing. As predicted by Greer, Lusch and Vargo (2016), this has transformed network connections and the transmission of information between people and organizations, making them much larger and lasting, as well as the speed and ease with which they began to happen.

During this period, there was also the search for balance between markets and the economy, through the development of a science. It can be said that it was at this time that the manufacture of dominant products or commodities began, that is, the development of a management logic, which separates the consumer from the company, so that it can focus on the production of large quantities of goods, while workers perform highly specialized tasks aimed at increasing efficiency and productivity (GREER, LUSCH and VARGO, 2016). In this perspective, it can be stated that the customer can be someone who creates value for the product or service and also someone who receives the same, actively participating in the process.

According to Joiner and Lusch (2016), the Service Dominant Logic can be defined as a logic of union where actors use their applied knowledge and skills, i.e. competencies, to offer benefits to others and to benefit themselves. It is a concept based on relationships, mutual trust, and a win-win experience.

The Service Dominant Logic is represented by Foundational Premises (FPs), representing axes of development. These FPs were initially cited by Vargo and Lusch (2004). At this time there were eight premises of the 'new' Service Dominant Logic (SDL). In later articles (VARGO and LUSCH, 2004, 2006, 2008, 2011, 2016), the same authors suggest changes in the terms used in the first proposed premises. In addition, they proposed three other premises. These eleven FPs originated five axioms. The modifications proposed in the 2016 article seeks to emphasize the details and a broader look at the theory, mainly by reviewing concepts.

Value Co-creation

The concept of customer participation is not something new, but the recognition that service providers partially participate in the value creation process, entering this cycle with new sources, including from the customer's own activities (KENNEDY et al., 2012). Thus, Kennedy et al. (2012) states that, even if it is recognized that some styles of value co-creation are important from the point of view of the organization, as it increases productivity, some researches indicate that the client's role in value co-creation brings very important results to them.

For the purposes of this study, the focus was on the support model, known as DART. This model created by Prahalad and Ramaswamy (2004) defends the notions for Dialogue, Access, Risk and Transparency for the execution of the value co-creation process, making this process between consumer and organization ample. For the authors, these elements are essential for the relationship between company management, employees and the community in general, aiming at the full co-creation execution. The authors, however, affirm that this process becomes a challenge, requiring preparation and organization for its accomplishment.

METHODOLOGY

This research is qualitative and exploratory, given the need to deepen knowledge about value co-creation and brand image, to verify how they can be adopted by the hospital as a strategy to improve the community's perception of its brand image. As an investigation method, for this study, the case study was defined, which sought to

develop the research based on primary and secondary data. Secondary data were obtained through document analysis, aiming to identify documents and records that demonstrate the way the institution positions itself in relation to marketing, thus reflecting its image to the community, as well as all kinds of evidence. This analysis was enhanced through bibliographic research in books, dissertations, journals and articles in the area of hospital management, marketing, value creation, service dominant logic, brand and institutional image and developing the main concepts related to marketing, especially Service; Service Dominant Logic; Value Co-creation; Brand, and; Institutional Image.

The data collection of this study occurred mainly through a script of semi-structured interviews and a focused interview proposal, but may, in some cases, become open-closed, due to the need for some answers by sometimes become personal. The analysis was developed using the data triangulation technique which, according to Yin (2010) consists of using multiple sources of evidence collected during the case study and the triangulation with the respective theoretical axes proposed and developed during the research. In addition, we sought to contemplate the researched theory with the perceptions of interviews with directors, employees of the institution, doctors, patients, patients' relatives and other observations and documents. During the development of the study we adopted the method of content analysis, through verbal communications and also materials created especially for this research. The interviews were analyzed through discourse analysis using qualitative techniques.

RESULTS AND DISCUSSION

For the co-creation process take place within a hospital, it is initially suggested that a group be created to work on the strategic articulation of ideas that will then be presented to various stakeholders, such as patients, caregivers, doctors, employees, companies, providers, health plans, etc., through workshops, where it is possible for everyone to participate, assessing what actually meets or does not meet consumer needs. Through each other's engagement, these ideas will be refined, prioritized, and transformed into projects to be executed in order of importance.

Another relevant tool within the hospital to facilitate the value co-creation process is an online platform where actors can share their ideas and then evaluate them by the strategic group and put them to the vote so that everyone can contribute and always choose projects that are necessary and useful to all involved.

CONCLUSIONS AND IMPLICATIONS FOR THEORY AND PRACTICE

Through the results obtained in the research carried out with those involved in the service processes of the studied hospital, in association with the theory, especially the Service Dominant Logic of Marketing and the Value Co-creation, this study presents important contributions from the academic and managerial people.

The theory regarding the central theme has been widely studied, with application in several scenarios, however, in the health area, more specifically in hospitals, is still little researched (in Brazil and also abroad). The other results obtained through the interviews

and allied to the theory initially presented contribute in a managerial way and can be applied in other hospitals and health institutions that want to benefit strategically and stand out against the competition.

REFERENCES

Brazilian Ministry of Health (2016). *Available in:* <www.portalsaude.saude.gov.br>. *Access in:* July 26, 2016.

GREER, C. R.; LUSCH, R. F.; VARGO, S. L. (2016). *A Service Perspective:* Key Managerial Insights from Service-Dominant (S-D) Logic. Elsevier: Amsterdam.

JOINER, K. A.; LUSCH, R. F. (2016). Evolving to a New Service-Dominant Logic for Health Care. *Dovepress Journal*, New Zealand.

KENNEDY, J. R. et al. (2012). Health Care Customer Value Co-creation Practice Styles. *Journal of Service Research*, University of Maryland, USA.

LUSCH, R. F.; VARGO, S. L. (2006). Editors. *The Service-Dominant Logic of Marketing:* Dialog, Debate, and Directions. New York: M. E. Sharpe.

LUSCH, R. F.; VARGO, S. L. (2006). Service-Dominant Logic: Reactions, Reflections and Refinements. *Marketing Theory*, 6 (3), 281-288.

LUSCH, R. F.; VARGO, S. L. (2011). Service-Dominant Logic: A Necessary Step. *European Journal of Marketing*, 45 (7/8), 1298-1309.

PRAHALAD, C. K.; RAMASWAMY, V. (2004). Co-creation Experiences: The Next Practice in Value Creation. *Journal of Interactive Marketing*, 18 (3), 5-14.

PRAHALAD, C. K.; RAMASWAMY, V. (2004). *The Future of Competition:* Co-creating Unique Value with Customers. Harvard Business School Press.

VARGO, S. L.; LUSCH, R. F. (2004). Evolving to a New Dominant Logic for Marketing. *Journal of Marketing*, 68 (1), 1-17.

VARGO, S. L.; LUSCH, R. F. (2004). The Four Service Marketing Myths: Remnants of a Goods-Based, Manufacturing Model. *Journal of Service Research*, 6 (4), 324-335.

VARGO, S. L.; LUSCH, R. F. (2008). Service-Dominant Logic: Continuing the Evolution. *Journal of the Academy of Marketing Science*, 36, 1-10.

VARGO, S. L.; LUSCH, R. F. (2008). Why "Service"? *Journal of the Academy of Marketing Science*, 36, 25-38.

VARGO, S. L.; LUSCH, R. F. (2016). Institutions and Axioms: An Extension and Update of Service-Dominant Logic. *JAMS*, 44, 5-23.

YIN, R. K. (2010). Estudo de Caso: Planejamento e Métodos. Porto Alegre: Bookman.