

Critical examination of academic marketing and service research's philosophical foundation

Bård Tronvoll

Center for Research on Digitalization and Sustainability (CREDS), Inland Norway University of Applied Sciences, Kongsvinger, Norway
and Service Research Centre (CTF), Karlstads University, Karlstad, Sweden, and

Bo Edvardsson

Service Research Centre (CTF), Karlstad University, Karlstad, Sweden and Faculty of Business,
Inland Norway University of Applied Sciences – Rena Campus, Rena, Norway

Abstract

Purpose – The philosophical foundations determine how an academic discipline identifies, understands and analyzes phenomena. The choice of philosophical perspective is vital for both marketing and service research. This paper aims to propose a social and systemic perspective that addresses current challenges in service and marketing research by revisiting the philosophy of science debate.

Design/methodology/approach – The paper revisits the philosophy of science debate to address the implications of an emergent, complex and adaptive view of marketing and service research. It draws on critical realism by combining structuration and systemic perspectives.

Findings – A recursive perspective, drawing on structures and action, is suggested as it includes multiple actors' intentions and captures underlying drivers of market exchange as a basis for developing marketing and service strategies in practice. This is aligned with other scholars arguing for a more systemic, adaptive and complex view of markets in light of emerging streams in academic marketing and service research, ranging from value cocreation, effectuation, emergence and open source to empirical phenomena such as digitalization, robotization and the growth of international networks.

Research limitations/implications – The reciprocal dynamic between individuals and the overarching system provides a reflexivity approach intrinsic to the service ecosystem. This creates new avenues for research on marketing and service phenomena.

Originality/value – This paper discusses critics, conflicts and conceptualization in service research. It suggests a possible approach for service research and marketing scholars capable of responding to current complexities and turbulence in economic and societal contexts.

Keywords Conceptual, Service ecosystem, Service dominant logic (SDL)

Paper type Research paper

Introduction

Academic marketing and service research have evolved since the early 20th century by initially focusing on the distribution of goods during the Industrial Revolution era. Grounded in neoclassical economics, its philosophical and scientific foundations stemmed mainly from Newtonian mechanics (Hunt, 2003; Vargo and Morgan, 2005). The debate revolved around the value added by marketing in the production and distribution of goods (Shaw, 1912; Dixon, 1990). However, there were scholars at the time criticizing neoclassical economics' rigidity, its oversimplified concept of *laissez-faire* (minimal government intervention in economic and market affairs) and its adherence to natural laws (for more details, see, e.g. Jones and Tadjewski, 2017). This critique has continued over the years.

As the field broadened, borrowing from disciplines like economics, psychology and sociology, marketing scholars faced

the challenge of finding a robust underpinning philosophy of science (Sheth *et al.*, 1988). Nevertheless, there has been limited discussion among scholars on this topic in the academic marketing literature despite the need for a solid philosophical foundation, although a few notable exceptions (Alderson, 1965a, Bartels, 1976; Hunt, 1976, 2018, Sheth *et al.*, 1988).

Although these philosophies originated in sub-disciplines or at the margins of marketing thought, some of these shifts in understanding are now widely accepted (Vargo and Lusch, 2008b), whereas others remain relatively marginalized. However, the core philosophical underpinnings of mainstream academic marketing remain mechanistic, with dependent variables such as sales and market share as functions of a small set of controllable, independent variables such as the marketing mix (e.g. the "4Ps"). The ongoing preoccupation with distribution remains now encompassing relationships in distribution systems and the role of channels as part of larger value creation constellations (Lusch and Vargo, 2014; Normann and Ramirez, 1993). Conceptualization of what gets

The current issue and full text archive of this journal is available on Emerald
Insight at: <https://www.emerald.com/insight/0887-6045.htm>



Journal of Services Marketing
38/1 (2024) 56–70
© Emerald Publishing Limited [ISSN 0887-6045]
[DOI 10.1108/JSM-01-2023-0002]

Received 8 January 2023
Revised 20 June 2023
16 July 2023
4 September 2023
15 October 2023
Accepted 17 October 2023

exchanged has also broadened (Kotler and Levy, 1969) to encompass both tangible manufactured goods and farm commodities and intangibles (Shostack, 1977) that include ideas, symbols (Venkatesh *et al.*, 2006) and experiences (Holbrook and Hirschman, 1982; Pine and Gilmore, 1998). This article contributes to the ongoing debate by exploring the evolution of academic marketing and service research and suggesting a possible approach capable of responding to changing economic and societal contexts. Thus, it enables marketing and service research scholars to combine rigor and relevance in areas such as sustainability, digitalization and artificial intelligence (AI).

Information and communication technology advancements have empowered actors to collaborate and exchange resources more effectively. This has accelerated communication, interactivity and complexity in networks and systems, expanding the roles of collaborating social and economic actors. As a result, customers and other actors now have access to a wider range of opportunities for value creation through diverse market channels (Vargo and Lusch, 2004, 2008a, Denegri-Knott *et al.*, 2006). The conventional notion of value, centered on factory production and marketing of goods, has given way to a new understanding of offerings, often combining resources, goods and services. Value is now recognized as a process and outcome of collaborative efforts involving multiple actors within dynamic and complex systems (Prahalad and Ramaswamy, 2000). The perspective on markets has also evolved. Initially, markets were seen as predetermined by supply, demand and price linked to physical products (Alvarez and Barney, 2007; Kumar *et al.*, 2000). However, it is acknowledged that actors play a role in shaping markets and the role of services has increased. Moreover, markets are understood as dynamic, emergent and adaptive, with various actors pursuing different goals and engaging in competition, collaboration and value creation (Alderson, 1957; Nenonen *et al.*, 2014; Vargo *et al.*, 2022). This perspective portrays markets as adaptable systems of exchange between multiple actors shaping the development processes. Furthermore, markets are characterized by fluctuating boundaries and complex dynamics.

Various attempts have been made to adjust (or indeed alter) the theoretical and philosophical underpinnings of marketing (Achrol and Kotler, 2012; Sharma and Sheth, 2004). In general, however, these efforts have not been widely accepted or adopted, which suggests that, as an academic discipline, contemporary marketing can benefit from greater adaptability. Although these changes have contributed to fragmentation and an increase in sub-disciplines, contemporary academic marketing remains relatively stable, in contrast to the foundational realignment of other sciences in response to emergent, adaptive and complexity-related issues and challenges, as described by Vargo and Morgan (2005, p. 51):

Even as economics was legitimizing itself and marketing was establishing its own identity, Darwin (1859) was developing the foundation for more dynamic evolutionary models; Einstein (1920) was establishing the concept of time as a basic variable in scientific thought; Heisenberg (1926) was finding that at least in quantum mechanics, the indeterminacy of initial states undermined the deterministic notion; and others were showing that this “uncertainty principle” was not just a quirk of quarks.

Scholars from other disciplines have also explored nonlinear, dynamic systems under such rubrics as “complexity theory” (Gleick, 2008; Brown and Eisenhardt, 1997; Anderson, 1999) and emergence (Vargo *et al.*, 2022) to make sense of how order, structure and markets arise from chaos. These recent and evolving interactive models of exchange are characterized by relationally determined outcomes of the conditions of disequilibria (Vargo and Morgan, 2005; Arthur, 2015), in which information exchange (and therefore mutual service provision) becomes central (Holbrook, 2003; Prigogine and Stengers, 1984; Waldrop, 1992).

Therefore, this article is aligned with other scholars arguing for a more systemic, adaptive and complex view of markets in light of emerging streams in academic marketing and service research, ranging from value cocreation, disruption, effectuation, emergence and open source to empirical phenomena such as digitalization, AI, robotization and the growth of international networks. From both inside (Alderson, 1965b, Arndt, 1983; Layton, 2007) and outside the discipline, there are calls for research to study the role of technology (Grewal *et al.*, 2020), innovation (Geels, 2004; Sundbo and Gallouj, 2000; Vargo *et al.*, 2015) and complex adaptive systems (Wilkinson and Young, 2002; Arthur, 2015). In this context, Calás *et al.* (2009) have argued for an ontological base to support a more complex, dynamic and multilevel view of markets. Kumar (2015) argues that the scope of academic marketing should also be extended to more closely inform organizational decision-making.

In this changing context, academic marketing must be grounded in scientific, rigorous and relevant research to consolidate its status among the social sciences. To that end, the discipline must move beyond contemporary theoretical conceptualizations to embrace a philosophy of science that can foster scholarly advancement. A discipline’s philosophical perspective significantly impacts its contributions to theory and practice (Hunt, 1976) by determining how social or market phenomena are framed at the outset of any inquiry. The scholar’s philosophy of science informs study objectives, methodology and interpretation of results. Although a different philosophical perspective does not change reality, it surely alters how researchers frame (Gray *et al.*, 2015), observe, understand and address the reality in question. In one well-known example, the so-called “Copernican revolution” overthrew people’s fundamental understanding of the universe, religion and human existence by shifting the perspective of flat earth at the center of the universe to a recognition that the earth is a sphere that orbits around the sun in what is just one of many solar systems.

The philosophical foundations of academic marketing and service research determine how the academic discipline identifies, understands and analyzes phenomena, as well as how results and managerial implications are interpreted. The choice of philosophical perspective is, therefore, of great importance for both marketing research and management practice. Without an explicit and shared awareness of these philosophical and scientific foundations, the discipline will continue to be marginalized within the academic community. More importantly, the discipline will become less relevant for managers, businesses and society at large. Rather than new concepts and models or more sophisticated techniques for

analyzing data, the more urgent need is for a fundamental discussion of the discipline's philosophical foundations and future research directions.

Against the above backdrop, this article revisits the philosophy of science debate to address the implications of an emergent, complex and adaptive view of marketing by proposing a social and systemic transcendent philosophical perspective that addresses the challenges of marketing theory. Thus, this article discusses critics, conflicts and conceptualization in service research by drawing on critical realism by combining structuration and systemic perspectives. The following section offers some observations on contemporary philosophical foundations and categories of relevance to academic marketing. Then, the article discusses the foundation for a transcendent perspective and argues for a recursive philosophical perspective, and finally, a discussion of the research implications of this philosophical approach and topics for further research is offered.

Philosophical foundations

Every academic discipline must constantly review its own theoretical perspectives and philosophy of science. The latter refers to such issues as how scientific research should be conducted in light of a given understanding of the nature of reality (ontology) and the nature and scope of knowledge (epistemology). As Kuhn (1970, p. 150) observed, different philosophical perspectives mean that “scientists see different things when they look at the same point and in the same direction”. In the case of marketing phenomena, this means that researchers with different perspectives perceive and emphasize different aspects of the same phenomena as significant. Understanding the nature of marketing phenomena requires understanding the underlying philosophical assumptions as “statements accepted without direct empirical support [...] based on different views of reality, social beings, and knowledge” (Hudson and Ozanne, 1988, p. 508). Configured by a set of philosophical assumptions, the philosophical foundation constitutes a position shared by leading scholars in the field. Grounded in a specific position, scholars use a philosophical perspective as a lens when studying a given phenomenon, with significant implications for the type of scientific knowledge that ensues. Based on an ontology and epistemology, a philosophical perspective specifies recognized criteria for research expressed through a frame of reference. These criteria are grounded in shared beliefs that determine the particular worldview through which scholars see and relate to reality and capture meaning through knowledge.

Dominant philosophical perspectives in contemporary marketing

Contemporary academic marketing and service research are largely based on normative theories derived from a managerial perspective (Vargo, 2007), often emphasizing a predefined understanding of markets and associated phenomena (e.g. market segmentation, 4Ps) as these relate to firms' predictions of customer demand and needs. Although the philosophical perspectives that inform contemporary academic marketing can be grouped or categorized in various ways, most can be loosely assigned to two broad categories. In doing this, liberties

must be taken by ignoring nuanced differences within these categories.

A priori perspective

The first category can be characterized as the *a priori* philosophical perspective, broadly associated with mechanistic methods of detecting how natural and human events occur. This approach assumes that “reality exists ‘out there’ and is driven by the immutable nature of laws and mechanisms” (Guba, 1990, p. 20). Knowledge of these entities, laws and mechanisms is conventionally encapsulated in time- and context-free generalizations such as laws of cause and effect. Originally developed in the natural sciences, the *a priori* philosophical perspective has been adapted for the social sciences, including marketing, and often emphasizes an objective reality that is not necessarily knowable, entailing the existence of knowledge prior to experience. Because they are predetermined by earlier knowledge, the philosophical core of such perspectives can be understood as *a priori* or “from what comes before”.

The goal of the *a priori* perspective is to identify (and predict) causal regularities that the researcher believes to exist in reality. Any object that meets a set of specified conditions must have certain properties that can explain the logical outcome. An *a priori* perspective is, therefore, theory-driven; on this view, marketing phenomena have a given, predefined structure with causal regularities involving structures and actors such as firms and customers and their resources. The strengths of the *a priori* perspective are the capacity to isolate a specific market phenomenon for systematic investigation, overlapping somewhat with such positions as realism, objectivism, positivism and functionalism (von Mises, 1968; Lightwood, 1883; Hunt, 1991; Peikoff, 1991; Sewell, 1966; Hunt, 2010).

In the late 20th century, a heated debate was sparked about the philosophical foundations of academic marketing when Hirschman (1986) and Peter and Olson (1983) criticized the mechanistic perspective (e.g. *a priori*), claiming that marketing had evolved into “a socially constructed enterprise” in need of input from humanistic modes of inquiry (Hirschman, 1986, p. 237). The ensuing debate contributed to the broadening of academic marketing, in which the process-oriented view of marketing broke free of predefined and often narrow economic and market assumptions in aligning with other social science disciplines. This broadening of the discipline led to the articulation of an alternative philosophical category, characterized as the *in acto* perspective.

In acto perspective

The *in acto* perspective pursues insights into phenomena without any assumption of predefined regularities or objective structures; rather, the emphasis is on the intentions and interactions of human beings, or what happens *in the act*, which is always set in a context and reflects practice. In this way, “realities exist in the form of multiple constructions, socially and experimentally based, local and specific dependent for their form and content on the persons who hold them” (Guba, 1990, p. 27). From the *in acto* perspective, the focus is on actors and their actions (which are unpredictable, at least occasionally). *In acto* translates as “in the act or deed” – that is, something that exists in the present, emphasizing meaning and intentions. The strength of this approach is its indivisible focus on the individual actor in stipulating that the individual and the world

are inextricably linked through the individual's lived experiences in society (Berger and Luckmann, 1967; Husserl, 1970).

Philosophically, an *in acto* perspective assumes that reality consists of processes that arise as multiple actors interact. These realities are mediated by the perceptions and comprehensions of different individuals, informed by an epistemological belief that these realities can be grasped only partially. In their focus on intentions, activities and human interactions, such perspectives are understood as subjective and contextual, resembling such frameworks as hermeneutics, relativism, subjectivism and phenomenology (Bernstein, 1983; Schütz, 1967; Geertz, 1979; Outhwaite, 1975).

Shortcomings of a priori and in acto perspectives

Giddens (1977, 1979) identified three fundamental weaknesses of a *a priori* perspectives:

- their inability to present sociocultural life as actively constituted;
- their exclusive emphasis on observable structures; and
- their stipulation that every sociocultural phenomenon must be situated in its time-space context.

Yet, *in acto* perspectives also have limitations in overemphasizing the signification and intention of the actor (Giddens, 1993) while overlooking the impact of structures and institutions on actors and actions. In a historical analysis of these key philosophical debates as guides for academic marketing, Hunt (2003) argued against both positivism (an extreme stance within the *a priori* category) and absolute relativism (at the margins of the *in acto* category). Archer (2010, p. 225) argued that “successive theoretical developments have tilted either towards structure or towards action”. Several other scholars have problematized this issue in an attempt to bridge the two categories (Giddens, 1984b; Bourdieu, 1977; Archer, 1995; Habermas, 1984).

Both the *a priori* and *in acto* perspectives are limited in their capacity to understand and explain marketing, market exchange and value creation, and Giddens and Dallmayr (1982) observe that these categories of perspectives suffer from a limited stance. The *a priori* perspective is strong on institutions but weak on action; it is effectively dominated by mechanistic outcomes and cannot explain the unpredictable actions of humans and the adaptive complexity of systems. Conversely, the *in acto* perspective is strong on action but weak on institutions; focusing on the actual action and the individual actor (e.g. customers, firms, entrepreneurs), it fails to explain how these actions are shaped, including interactions between multiple actors. It is argued that an alternative philosophical approach is therefore needed, transcending these two perspectives to provide the foundation for a research agenda that can make sense of the emergent, dynamic and complex nature of market exchange and value creation, rendering academic marketing more scientifically sound and more relevant for managers.

Transcendent philosophical perspective

Although the philosophical debate at the end of the 20th century was stimulating and necessary, it yielded limited explanations and no supporting philosophical framework to

accommodate the emergent, adaptive and complex aspects of academic marketing and service research. Arguing for the need to provide normative decision rules for practitioners, Arndt (1983) suggested that a dyadic view is insufficient for this purpose. Understanding markets as systemic exchange mechanisms means going beyond the product and the firm/customer-based dyadic view to encompass the contextual features that capture the adaptive and evolutionary nature of marketing and market exchange.

To advance understanding of marketing phenomena, such a transcendent philosophical perspective must be robust. In academic terms, a market phenomenon is not something given and existing but an outcome of continual change in complex dynamic markets, where a set of institutions and institutional arrangements (interrelated sets of norms and values) adapt and evolve over time. Market phenomena emerge through social structures and systems that continually form and reform through recursive iteration as emergent ecosystems. As these phenomena and associated effects cannot be captured by either (*a priori* or *in acto*) perspective, there is evident need for a transcendent social and systemic philosophical perspective that accommodates the new challenges and issues arising at the margins of the discipline, including value cocreation, disruption, effectuation, emergence and open sources. The recursiveness of marketing and market exchange foregrounds creativity and open-endedness in the evolution of a no equilibrium system where the future is not taken as given but is created in an unfolding process of evolutionary emergence.

System theory (Sternan, 2000; von Bertalanffy, 1971; Meadows and Wright, 2008) accommodates the wide range of actors, resources, activities and interactions that affect academic marketing and service research. In context, this approach was shaped mainly by Alderson's (1965b) descriptions of organizational behavioral systems, encompassing the interactions of activities, actors and resources, all shaped by human behavior. Alderson argued that a collection of components does not in itself constitute a value-creating system; rather, value is created through the set of interrelated relationships or functions that lend structure to a system. Alderson acknowledged that actors influence the business system, playing an important role in the coordination and integration of activities and resources. Aligned with this approach, a system view has informed the development of value networks embedded in complex networks of organizations (Ford, 1982; Håkansson and Snehota, 1995; Håkansson and Ford, 2002) or “value constellations” (Normann and Ramirez, 1993) or service ecosystem (Akaka *et al.*, 2021; Vargo *et al.*, 2017). These ideas challenge the assumption that value is created by a single actor or in a dyadic relationship; instead, value is understood as emerging from the interplay of multiple actors. Layton (2011) argued that marketing systems are multilevel, path-dependent and dynamic, embedded in a social matrix and interacting with institutional and knowledge environments. Lusch and Vargo (2014, p. 161) described how value cocreation occurs within service ecosystems, which they define as “relatively self-contained, self-adjusting system[s] of resource-integrating actors connected by shared institutional logics [arrangements] and mutual value creation through service exchange”.

The study of systems has also contributed to the relatively new field of complexity theory, which explores the properties of complex adaptive systems, in which the qualities of the system as a whole emerge (apparently spontaneously and unpredictably) from dynamic, nonlinear interactions among system components (Waldrop, 1992; Akgün *et al.*, 2014; Vargo *et al.*, 2022). It seems clear that academic marketing and service research can usefully explore markets as complex adaptive systems that emerge over time, adapting and self-organizing into a coherent form without being deliberately managed or controlled by any singular entity (Holland, 1995; Buckley, 2008). Such systems are instead characterized by the distributed control of engaged actors, self-organization and emergent behavior arising from the interrelationship, interaction and interconnectivity of actors and resources within the system, and between the system and its environment. The openness and nonlinearity of complex systems makes them unpredictable and uncontrollable in the face of feedback (i.e. recursiveness).

From the *a priori* perspective, ideas from scientific realism (Smart, 2014) are incorporated, particularly drawing from critical and structural realism as outlined by Chakravarty (2004) and Worrall (1989). Critical realists hold that a world exists more or less independent of human beings and that underlying mechanisms generate the events that must be observed and experienced (Bhaskar, 1975), telling us only about the form or structure of the unobservable world and not about its nature (Worrall, 1989). Social reality then embodies historical inquiry into artifacts, culture, social structures, persons and other influences on human action and interaction (Archer, 1995). Ehret (2013) claimed that critical realism opens the door to a systemic view of market and service phenomena that transcends context-dependent observations. Borrowing from the *in acto* perspective, relativism holds that all beliefs are relative to individual actors within their own social context; by implication, service exchange and marketing are context-specific, as what ensues in one social context can be considered impossible or different in another (Embree *et al.*, 1997). Critical relativism argues for a stratified and emergent understanding of reality by adopting a narrower ontological view.

Recursive philosophical perspective

Building on a social and systemic view and incorporating concepts from structuration and ecosystems, a *recursive philosophical perspective* is proposed to address current and emerging academic marketing and service research challenges by capturing the recursive and emergent qualities of complex adaptive systems. The concept of recursivity refers to how the repetition of codes (language, symbols, norms) connects structures (or institutional arrangements) and specific situations within a given system in the potential deconstruction (and reconstruction) of taken-for-granted constructions (Deroy and Clegg, 2015). The perspective refers to the interconnectedness and interdependence of philosophical concepts and theories, acknowledging that ideas and frameworks influence and shape one another, leading to a continuous cycle of reflection, critique and refinement. In this perspective, philosophical inquiries are not viewed as isolated or linear but rather as an ongoing process of self-reflection and

evolution. It emphasizes the need to continually revisit and reassess existing foundations, considering new knowledge, changing societal contexts and emerging challenges in marketing practice. Such challenges today can include using digital technologies and platforms in marketing and business practice, the need for circular and sustainable ways of value creation and using (of open) AI in marketing practice. A recursive philosophical perspective encourages scholars to engage in critical dialogue and debate, examining how different philosophical frameworks and theories inform and influence their research. Scholars are promoted to use a multidisciplinary approach, recognizing the potential contributions of diverse philosophical traditions and social science disciplines. This perspective also acknowledges the potential for feedback loops and mutual influence between academic research and marketing practice. It recognizes that philosophical insights derived from research can inform and shape marketing practice, whereas practical experiences and challenges can, in turn, provoke new philosophical inquiries and perspectives.

For instance, the recursive perspective can be applied to examining marketing practices, the ethical foundations and their impact on society. Scholars can explore philosophical perspectives and ethical frameworks (Mackie, 1978), such as utilitarianism, virtue- or right-based ethics and critically assess their application in marketing contexts. By critically examining the foundations of marketing practice, researchers can identify areas where existing approaches are limited or need reevaluation. This analysis can lead to a recursive process of reflection, where the insights gained from studying ethical theories inform the development of more nuanced and contextually relevant marketing and ethical frameworks for guiding practices. In turn, the specific experiences and challenges faced in marketing practice can stimulate further philosophical inquiry, prompting the refinement and evolution of marketing theories in the field.

To comprehend human actions, it is essential to interpret the meanings and consequences that various individuals assign to their own past actions and outcomes, including their interactions with other actors in social and market networks. The interpretations of these meanings lie at the core of economic activities and social investigations, as human actions derive significance from their specific life or business contexts and are deeply rooted in social systems. Numerous influential thinkers have embraced the concept of structure and agency as fundamental ontology. In alignment with Giddens and Archer, it is affirmed that social structures cannot be reduced solely to individual actions but are continuously reproduced and altered through the conditional actions of individuals. Giddens (1979) asserts that the social system functions as an institutional reality that is consistently reproduced or transformed coherently because individual actions are inherently patterned by a virtual order of differences or rules (structure). Thus, when individuals' actions reinforce the structure in practice, they simultaneously affirm both the structural rules and the system itself in a "duality of structure" (Giddens, 1984a, 1984b, p. 19). According to Giddens, structuration refers to the active process through which individuals, guided by the (virtual) structure, engage in actions that reproduce or alter the social structures they encounter.

Archer's (1982) criticizes Giddens' understanding of virtual structures, arguing that structure and action operate on different time scales. This implies that structures logically precede the actions that transform them, and later on, structural elaboration logically follows those actions. Archer posits that structuring evolves over time and lays the groundwork for developing systemic properties.

Building on Giddens' and Archer's understanding of social reality in terms of structure and agency, a system-centric ontology is proposed; instead of closed systems, there is evolution toward open and indeterminate social webs that transcend system borders. Adopting King's (2010) view that system properties are emergent because they are not reducible to component individuals and must be understood as open-ended totalities. It follows that individual actors do not encounter an already completed system but are joint participants in a value-creating system, recurrently and mutually constituting themselves through their interactions and market exchanges. In a similar mindset already existing within academic marketing, actor-network theory strives to understand a given form of social practice as a dynamic and often contingent "assemblage" of wide social networks rather than as a social reality (Latour, 2005). In this view, market phenomena are not outcomes of human action or market structures alone but of the constant interplay of recursive relationships within a social web. Any attempt to separate actors and their actions from market structures would, therefore, be futile and misleading, as these exist in relation to each other and constitute a broader social system.

Through structuration, human action can be viewed as systemic, dialectic and evolutionary, as well as part of a larger whole. Jochims and Rutgers (2005, pp. 386–87) argue that structuration "can be highlighted as a nonlinear and non-causal relation happening during the complex structuration processes over time". Moreover, structuration theory helps to bridge the gap to systemic understanding through sociological (macrolevel) and individual (microlevel) approaches, in which individuals and structures enter the same "analytical space" (Jenkins, 1996, p. 25). Aggregated over time, repetitive actions result in institutionalization, which subsequently affects marketing outcomes. In this way, actors are not determined by structure but are involved in "the recursive ordering of social practices" (Giddens, 1984a, p. 3), and meaningful, deliberate action is commonly the mechanism by which a given set of institutional arrangements becomes the foundation for market exchange. Meanings and consequences, then, are both causes and causal mechanisms, shaping actors' activities, interactions and behaviors in market exchange processes and reflecting the relationship between past and present meaning as a duality or "system of meanings".

Meanings and consequences are most often associated with an *in act* perspective. This is not to say that meaning is inconsistent with an *a priori* perspective; rather, the two can be used within the recursive perspective as compatible, complementary and transcendent. The understanding is framed by the basic assumption that the actor is always situated in an irreducible social web and that social reality exists independently of the individual. Here, rather than an individual confronting a preformed structure, social reality is understood as multiple actors negotiating as they interact, cooperate and

cocreate with one another within the ecosystem. While constructing this perspective, insights from phenomenology and intersubjectivism are also incorporated to apprehend how the economic and social actions of actors within the marketplace unfold amidst the structures of a developing ecosystem. This, in turn, emphasizes the significance of intersubjectivity and a shared comprehension of prevalent institutional configurations. Table 1 summarizes the key features of the three perspectives, each based on a particular philosophical assumption.

Market phenomena are more complex and dynamic than the *a priori* and *in act* perspectives can accommodate. The *a priori* perspective is commonly used to understand and predict phenomena – that is, to view configurations of resources in objective reality. In contrast, the *in act* perspective captures the interactions among interdependent, engaged actors in a less constrained way, allowing for more flexibility and responsiveness. In the proposed *recursive* perspective, market phenomena are viewed as more complex – emergent and evolutionary, cocreated through continuous and reciprocal interdependencies among actors and resources embedded in the service ecosystem as part of a social web. In this view, markets are imagined, emergent and cocreated, with multiple actors contributing to the design of systems for market exchange and technology as a mechanism for service provision. In this characterization of market phenomena as evolving and complex, reality becomes recursive, dynamic and entangled; by implication, market phenomena are subject to preexisting conditions.

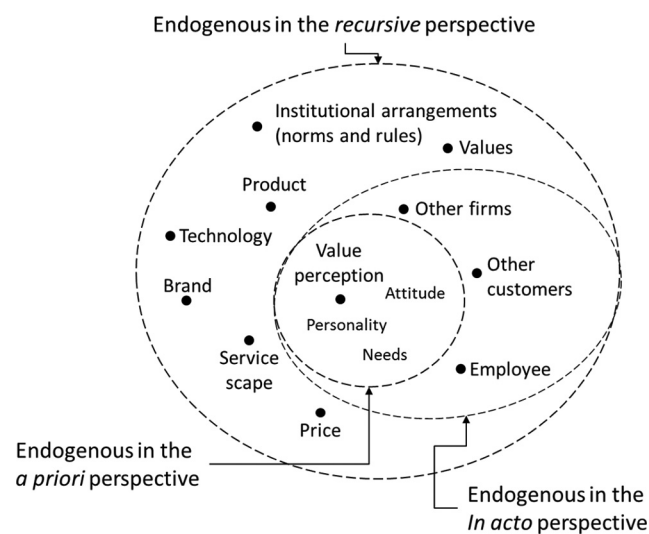
The recursive perspective seeks to resolve the dilemma of choosing between a mechanistic, *a priori* perspective and an intentional *in act* perspective to explain human action in relation to value creation and market exchange. As described in Table 1, the recursive perspective emphasizes the collaborative, adaptive and responsive nature of the social, symbolic and systemic evolution of marketing. This account transcends the other two while drawing on their ontological and epistemological positions (Figure 1). The *a priori* perspective (emphasizing structures) and the *in act* perspective (emphasizing human action) constitute *special cases* of market exchange embedded within the transcending recursive perspective. The recursive perspective adeptly addresses both institutions and actions. The contention is that the recursive perspective is strong on both institutions and actions and provides a sounder base for academic marketing and service research in capturing the emergent, complex and dynamic nature of value creation and market exchange.

In explicitly embracing the emergent, complex and dynamic nature of marketing, the recursive perspective incorporates the key role of interdependencies among actors' social integrative actions, symbolic structures of meaning and representation and system evolution. This facilitates an understanding of the structural components of academic marketing and service research and acknowledges actors as ecosystems or parts of larger ecosystems, in which actions draw on institutions and institutional arrangements (Vargo and Lusch, 2016). Actions serve to create and recreate evolution within the network of networks, facilitating value creation and market exchange. It follows that the actor becomes central to understanding the interdependencies among agencies, actions and institutions.

Table 1 Key features of the three philosophical perspectives

Perspective	<i>A priori</i>	<i>In acto</i>	Recursive
Research directions	Scientific realism Positivism Functionalism Objectivism	Relativism Interpretivism Phenomenology Subjectivism	Structural realism Structuration Practices System ecology
Ontology	Single, tangible and fragmented	Multiple, constructed and subjective	Systemic, adaptive and entangled
Analytical framework	Predefined and universal Similarities and functions	Emergent and specific Sense making	Evolving and complex Meaning, consequences of action
Key phenomenon	Activities and resources are directed by objective, universal, and known laws	Activities and interactions are directed by subjective, contextual, and interpreted laws	Institutions and intersubjectivity are determined by interdependencies between structure and agency
Analytical processes	Convergent (contracting and consecrating)	Divergent (expanding and enriching)	Multifold (recreatable and recursive)
Portrayal of value-creating systems	Predefined, determined and explained by causal regularity	No prior existence before being created by interactions among actors	Created by economic and social actors through institutional arrangements and thus recreated in an evolving environment

Source: Authors' own work

Figure 1 Examples of endogenous market variables in different philosophical perspectives

Source: Authors' own work

Discussion and implications: the recursive philosophical perspective

This article revisits the scholarly discussion on the philosophical foundations of academic marketing in light of challenges related to the emergent, complex and adaptive nature of marketing, market exchange and value creation. The selection of a philosophical foundation impacts the discipline's framing of research questions, the use of theory and methods, the rigor and relevance of the research and how marketing is practiced. Critical reflection on basic philosophical perspectives can stimulate a reassessment of how problems are posed and perceived, with implications for subsequent knowledge, beliefs, feelings and actions (Mezirow, 1990). The most frequently applied philosophical perspectives

underpinning contemporary academic marketing and service research face major challenges in explaining the emergent, complex and adaptive nature of marketing phenomena, offering limited support for the requisite systemic reasoning. To address these issues, the article develops a philosophical framework that favors a recursive perspective, transcending the commonly used approaches and supporting a systemic view. The following section discusses the implications of such a perspective for academic marketing and service research.

Implications for applying a philosophical perspective

A philosophical perspective traditionally illuminates the understanding of the core of the research phenomena by focusing on the elements embedded in the research question. However, a perspective applied also most often makes an implicit definition of the boundaries imposed by any such perspective. Thus, a perspective indirectly defines the boundaries of phenomena, including whether variables are to be treated as endogenous or exogenous. Endogenous variables are causally dependent on other variables in the system; exogenous variables are causally independent of other variables in the system and are determined by external factors. Engle *et al.* (1983) clarified this distinction by arguing that a variable is exogenous if it can be taken as "given" without losing information for the purpose at hand. Locating market variables outside (exogenous) or inside (endogenous) the market phenomena to be explained – and so defining where the boundaries are – will impact the study in terms of defining phenomena and how broadly or narrowly they are portrayed. Figure 1 illustrates this point by referencing the widely researched topic of value perception in the awareness of the intangible, heterogeneously experienced and potentially perishable value [based on Vargo and Lusch (2008a)].

For example, many elements can influence a customer's value perception and, consequently, their behavior, which are conditions specific to the individual customer (such as personality, attitude and needs), as well as the firm's efforts to influence customers through branding (integrated market

communication), product (quality of the tangible product), servicescape (interior setting and environment), price (cost of the exchange) or technology (technical means for cocreating value). In the marketplace, several engaged actors participate, and in most situations, actors with different intentions communicate their cocreated value propositions (VPs). Other customers and actors (e.g. media) also influence perceptions of the exchange, as do employees interacting with the customer to cocreate value. In addition, the social web always plays a role in marketing through societal values expressed in cultural and social behavior and institutional arrangements that govern the given exchange – for example, norms and rules guiding the integration of available resources or accepted behaviors in the marketplace.

A researcher has the possibility to take several philosophical positions, see Figure 1, for instance, beginning from the most restricted *a priori* perspective, the endogenous variables (the inner circle) relate directly to the customer, such as knowledge, attitude, personality and needs. From this perspective, other variables such as brand, product, employees, other customers and institutional arrangements are exogenous (outside the inner circle). An *a priori* view commonly assumes that social reality (and therefore the market) is “out there” and can be described and analyzed in only a “given” way, so restricting value perception to benefits for individual customers through an optimal mix of marketing activities. This narrow understanding of marketing confines what is seen to happen to the customer during the process of value creation to the question of what resources should be integrated to enhance the customer’s perception of value.

The *in acto* perspective broadens the focus somewhat to the interaction between actors (e.g. between customers and employees or customers and other customers) to explain customers’ value perceptions. These factors become endogenous (middle circle) and everything else is exogenous. Value perceptions are then explained based on actors’ relationships and linkages, focusing on which actors should interact to enhance customers’ perceptions of value.

From the *recursive* perspective, market variables are endogenous (outer circle), entailing the salience of multiple actors and institutional arrangements to the market phenomena under study and introducing the possibility that value perception is to be understood as emergent, complex and adaptive. Actors become endogenous, as do the market and related variables, such as institutional arrangements and the firm’s marketing activities. The recursive perspective asserts that market phenomena are linked to other phenomena: what happens in one part of the market influences broader social systems. In addition, actors’ knowledge, needs, attitudes personalities, and individual recognition of institutional arrangements influence the kinds of resources that are socially acceptable for integration in the given context; they also determine behavior during resource integration and how the process and its outcomes are to be assessed.

Social structures, relations and institutions are not created automatically in the market but are grounded in long-term historical relationships and exchanges. These forces are not exogenous but endogenous to market exchange. By adopting the recursive perspective, this position becomes less restricted and market variables are understood to be endogenous. On this

view of markets, actors create and recreate their own environments in the process of enactment (Högström and Tronvoll, 2012). As the recursive perspective focuses on interactions and interdependencies among actors, resources and institutional arrangements, it can explain the connections between actors who participate simultaneously in multiple value-creating systems. From this perspective, the main question concerns the factors that influence a system’s viability and how value perception is determined by institutional arrangements that coordinate and govern cocreation through actors’ creation and recreation of the same institutional arrangements.

This illustration of the differences among philosophical perspectives immediately raises new questions and challenges (Figure 1). For example, suppose the recursive perspective assumes broad arrays of variables are endogenous. In that case, there must be something exogenous (outside) because there will always be something outside that cannot be captured, although it continues to influence the phenomenon. In this situation, the recursive philosophical perspective can be used to include variables for a particular timeframe or context. To fully embrace the recursive perspective, more sophisticated methods must be used to incorporate multiple sets of variables covering almost “all” aspects of the market and service phenomena in question. Most existing research methods do not support this perspective, although newly emerging methods at the margins of research show promise in this regard.

Implications for academic marketing and service research

Academic marketing and service research scholars make assumptions about reality to describe and portray a market phenomenon (ontology) and specify and communicate that knowledge (epistemology) to others. The recursive perspective represents a major shift from an ontology based on market phenomena as mechanistic, objective and “out there” (*a priori*) via a focus on individual actors and their intentions and interactions (*in acto*) to focus instead on the social, dynamic and systemic nature of marketing problems. The ensuing understanding has major implications; migrating from the *a priori* and the *in acto* to adopt the *recursive* perspective will change the research frame, as well as the formulation of objectives, the types of questions asked and the research methods used. Furthermore, important consequences include how results are interpreted and integrated with earlier research and applied in practice. A transcendent recursive perspective proposes that value creation processes are the medium and outcome of structuration as an iterative process directed by institutional arrangements in which they evolve. The endogenous view supports a broader understanding, with the potential to fully integrate marketing and service research and practice in organizational decision-making.

Originating at the margins of academic marketing and service research, value cocreation has attracted substantial interest for the past two decades (Vargo and Lusch, 2004; Vargo and Lusch, 2008b, Vargo and Lusch, 2016). Supported by a recursive philosophical perspective, service-dominant (S-D) logic has encouraged contemporary academic marketing to move away from the analysis of outputs provided by one party to another to instead consider how competencies and other

resources are used to benefit another. This perspective emphasizes cocreation (Vargo, 2008) between actors within the service ecosystem, with a strong focus on collaborative, value cocreated processes and technology. Directed by subjective and contextual guidelines, a market phenomenon is no longer seen as a predefined entity; rather, it emerges during resource integration and the reciprocal exchanges of actors providing services for mutual benefit (Vargo *et al.*, 2010). Value is cocreated through dynamic and interconnected networks of interaction within a social context and actors make VPs to one another in an idiosyncratic and reciprocal process.

A service ecosystem denotes a constellation of resources that enables all engaged actors to participate in value cocreation. As each instance of resource integration, service provision and value cocreation can change the nature of the system to some degree, the context also changes for the next iteration and determination of value creation. Lusch and Vargo's (2014) definition of a service ecosystem links S-D logic to the literature on practice and structuration theory, new institutional economics and the sociology of markets. Including dynamic and self-adapting properties also implies complex system behavior [as defined by complexity resource-dependent and potentially self-adjusting properties (Vink *et al.*, 2021)]. By emphasizing agency as an extension of traditional designations of human resources as competencies, the recursive philosophical perspective ensures that actors (human and nonhuman) are understood as purposive entities whose involvement and activities create and recreate structures within the service ecosystem. In this view, each actor's coconstruction of their reality and value perceptions is informed by their interactions and collaborations with other actors, as well as by institutional arrangements.

In philosophy and marketing, reflexivity (Alvesson and Sandberg, 2011; Grönroos, 2023) is often discussed in the context of systems, where the actions and beliefs of individual actors can shape and influence the larger social structure, which, in turn, affects the actions and beliefs of actors. The recursive relationship between individuals and the system as a whole gives rise to reflexivity within the service ecosystem. Therefore, reflexivity can be seen as a higher-level concept that captures the self-reflective nature of the system. In contrast, recursivity can be seen as a mechanism or process through which reflexivity manifests. The iterative nature of recursion reflects the ongoing feedback loop between actors and the service ecosystem, reinforcing and shaping each other. For instance, in service innovation, reflexivity and recursivity are critical factors in value cocreation, bringing together diverse actors to collectively generate innovative ideas and solutions. Within such constellations, actors' actions and beliefs contribute to the collaborative process. As ideas are shared and refined, participants provide feedback, insights and new perspectives, which recursively influence and shape the direction of innovation. This iterative and reflexive collaboration fosters a context where value is cocreated by leveraging the knowledge, expertise and contributions of multiple actors.

Based on these arguments, this article contends that a recursive perspective has significant implications for academic marketing and service research, as it is better able to capture the emergent, complex and adaptive nature of value cocreation

within service ecosystems. The recursive perspective views markets as endogenous and explains value cocreation as knowledge-making generated through interactions and reflexivity. On this systemic view, the social context shapes how actors collaborate and act upon available resources, guided by practices that, in turn, influence institutions and institutional arrangements.

The main implication of a recursive perspective is its broader, emergent, complex and adaptive setting, incorporating various market variables and institutions as vital parts of social reality. Most importantly, it addresses how actors shape and is shaped by internalized institutional arrangements and their influence on resource integration and value cocreation within the service ecosystem. As described in structuration theories, the duality of structures in enforcing institutional arrangements is foregrounded. Because value cocreation and market exchange are often characterized as activities and interactions in which actors integrate and operate on resources, the duality of structures and systems is a fruitful way of explaining actor-related and contextual value cocreation issues, as actors collaborate and exchange resources in ongoing, recursive processes of creating and re-creating value.

Implications for service and marketing practice

Philosophical perspectives have implications for marketing practice, particularly for management decision-making in the boardroom. In trying to make sense of marketing issues and challenges, marketing executives use certain fundamental shared assumptions. Many executives have been educated in concepts, theories and methods grounded in the *a priori* or *in acto* philosophical perspectives. However, some teachers and marketing scholars have noted that marketing philosophy and models lack the necessary links to marketing practice, undermining their relevance for discussion and strategic decision-making in the boardroom. Marketing courses, textbooks and journal articles are too often decoupled from marketing practice (Strandvik *et al.*, 2014; Wirtz *et al.*, 2014; Wind, 2006). This is surprising, as marketing is commonly considered central to business success and should therefore reflect marketing managers' real-world challenges and the pressure to contribute to financial outcomes and profitability (Drucker, 2001).

The *a priori* perspective has informed market segmentation, product and service designs, communication targeting, brand positioning and channel designs to meet the needs and demands of customers as defined. However, as this relatively narrow framing has not proved sufficient to capture the essence of marketing and the complex nature of market exchange, academic marketing and service research often fall short of informing strategic discussion in the boardroom (Strandvik *et al.*, 2014). Webster and Lusch (2013) claimed that academic marketing research has been shrinking steadily and asked why marketing academics have so little to say about critical strategic business issues. Underpinning this question, they highlighted concerns regarding the impact of networked organizations, the impact and marketing of emerging technologies, the value of open innovation, the blurring of value chains, unethical marketing practices, the role of brands in global markets, the role of marketing when customers are increasingly empowered in global market spaces and the constant struggle of marketing

practitioners to sit at the corporate strategy table. The authors also call on academic marketing and service research to move to a higher level of strategic awareness and relevance. Such awareness would go beyond solving narrowly defined, immediate problems and instead address long-term, strategic business problems that encompass dynamic, complex value creation rather than just individual customer satisfaction or short-term financial performance. Consequently, marketing scholars are challenged to apply a broader scope when defining research problems, although it is easy to view markets as predetermined and emphasize the tactical rather than strategic issues missing relevant financial or performance links (McGovern *et al.*, 2004).

The recursive perspective encourages executives and practitioners to zoom out from a narrow focus on being product or firm-centric, individual resources or offerings (goods, “services” or solutions), or business outcomes in terms of profitability, market share, customer satisfaction or loyalty. For example, Sheth *et al.* (1988, pp. 191, 193) argued that “marketing is the study of marketing behavior [...] [which includes] the behavior of not only buyers and sellers but must include intermediaries, and regulators in exchange relationships. . .” The fundamental unit of analysis in marketing and service is – or should be – the triad, representing the service ecosystem connecting market interaction between multiple actors. The recursive perspective accommodates the reality that managers face in the dynamic interaction and interdependencies between, e.g. multiple actors, resources, institutional arrangements, technology, circular economy and sustainability. These complex, systemic and research conditions, both in marketing and service research, are best comprehended by a recursive perspective, providing managers with relevant and rigorous frameworks, tools and guidelines for navigating current markets.

Drawing on both structures and action, the broadened scope of the recursive perspective incorporates *a priori* and *in acto* perspectives. By acknowledging multiple actors’ intentions and value creation platforms, it captures the underlying drivers of market exchange as a basis for developing and implementing marketing strategies in practice. Highlighting the strategic role of marketing, Strandvik *et al.* (2014, p. 241) referred to “mental models, which drive the boardrooms’ and managers’ attentions, decisions, actions, and evaluations”. In this context, a mental model can be understood as a “theory-in-use”, grounded in a belief system shared by key business actors that filters their attention and guides decision-making.

The recursive perspective addresses the need for a systemic and dynamic understanding of marketing, market exchange and value as always cocreated and context-specific (Edvardsson *et al.*, 2011). It further implies that complexity and dynamic developments driven, for example, by social media, digitalization, robotization and individualization, require an understanding of ecosystems in action as seen by diverse engaged actors. This has implications for management scope and focus, emphasizing the key role of collaboration (the “rainforest” metaphor) rather than competition (the “jungle” metaphor) and the need to orchestrate actors, resources and institutions in service ecosystems. To achieve this broadening of scope, marketing and service management, in particular, must look beyond focal dyads to the service ecosystem. This in

turn requires the board to arrive at a shared business model for cocreating and capturing value. In short, decisions made in the boardroom must be grounded in a systemic and adaptive understanding of how to successfully manage market exchange to arrive at intended and attractive value-in-context for multiple actors.

To navigate complex and adaptive service ecosystems, the board must be able to manage the structural dimension of markets, understanding the actors and their value creation efforts in the service ecosystem as well as cultural issues such as norms, rules and habits that link to society’s foundational values, environmental and social responsibility (Sulkowski and Waddock, 2012).

Further research

Academic marketing and service research scholars seldom consider the implications of adopting different philosophical perspectives when describing and discussing research phenomena. In general, a researcher’s chosen philosophical position (conscious or not) has important implications for their view of the marketing and service phenomenon in question, influencing how research projects are designed, research questions formulated and methods selected – and, therefore, how marketing phenomena are analyzed and understood. Reflection on the philosophical perspective is important for further research avenues that can improve scholars’ ability to design studies with high validity, robustness and managerial relevance. When the understanding of reality changes and new marketing challenges emerge, it is time for such reflection and to inform future research.

It is argued that research questions designed to address complex marketing phenomena over time can best be framed in a recursive perspective for a number of reasons. Because it is social in nature, this perspective is likely to facilitate an enhanced understanding of market exchange and value creation, as well as many marketing and service phenomena at the margins of the discipline. Raising questions about where to draw boundaries when studying marketing and service phenomena can prompt further research. The broad topics below encourage researchers to think outside the box, challenge existing approaches and explore uncharted territories within academic marketing and service research. This requires marketing and service scholars to break free from current trajectories to become relevant as a social science.

By pushing the boundaries of inquiry, scholars can contribute to transformative knowledge creation and address the complex and interconnected challenges of time. By framing and approaching these research topics strategically, boardrooms can recognize their relevance in guiding decision-making processes, shaping marketing strategies and providing a basis for long-term business success in a rapidly changing societal and economic landscape:

- *Challenging the dominance of the 4Ps:* Scholars and reflective practitioners should critically examine the relevance and applicability of the traditional marketing mix (4Ps) framework in contemporary marketing. This research can explore alternative frameworks or approaches based on the recursive perspective that capture the

complexities of value creation and exchange in dynamic market environments and the need to understand drivers of behavior change. Scholars should challenge the conventional understanding of markets as fixed and bounded entities and embrace the emergent nature of market phenomena. Research can investigate the fluidity and absorptivity of market boundaries, the emergence of new market formations and the implications for marketing strategies and practices. Building on these insights, research should investigate nonlinear dynamics in marketing phenomena involving tipping points, phase transitions and cascading effects in consumer behavior, market trends and competitive dynamics. This will reveal new power dynamics within service ecosystems and how power is distributed among different actors and shapes markets. This can open up new ways of collaborating among multiple actors and cocreating individualized value for engaged actors. These new ways can include exploring the implications of transitioning to post-growth economies for marketing theory and practice. This research can investigate alternative economic models, degrowth principles and the redefinition of success and well-being beyond conventional growth-driven metrics. This can also contribute to promoting sustainability in markets and service ecosystems through a circular approach to value cocreation.

- *Integrating marketing and natural sciences:* The recursive perspective encourages interdisciplinary research that bridges the gap between marketing and natural sciences. This integration can lead to new insights and methodologies for studying complex market phenomena, such as applying principles from network science or evolutionary biology to understand market dynamics. Natural sciences produce a wide range of actionable knowledge that informs marketing and service research theories, frameworks and models. To inform research on crises such as natural disasters (due to, e.g. draught, heat-waves, flooding or shortage of water), pandemics or the spread of resistant bacteria. Biology and natural sciences have much to offer social sciences and research on the need for behavioral and market changes.
- *Exploring human–technology interactions:* This research can explore the evolving dynamics of human–technology interactions in marketing, investigating digital transformation, AI, cloud computing, IoT and cyborg marketing considerations of emerging technologies. By understanding and harnessing these interactions, businesses can effectively leverage emerging technologies and personalized experiences in their marketing strategies to enhance customer engagement, drive innovation and gain a competitive edge. In addition, the transformative effects of AI and automation enhance the potential for individualized marketing, ethical considerations in AI-powered decision-making and the impact on marketing job roles. Understanding the implications of the recursive perspective and reflexivity in marketing is crucial to recognizing the blurred boundaries between humans and technology. This can provide insights into the ethical considerations, societal impact and strategic implications, enabling businesses to adapt their marketing practices and

strategies to align with evolving customer expectations and behaviors in an increasingly technology-driven and interconnected world. Exploring human–technology interactions also provides challenges and opportunities for governments and public sector organizations that marketing and service research can explore and provide managerial guidelines for ways forward. More specifically, research should focus on using AI to facilitate and individualize learning in schools, social robots and smart sensing technologies in hospitals and elderly care.

- *Marketing, social movements and activism:* This research theme will examine the role of marketing in social movements and activism, investigating how marketing strategies can be leveraged to promote social justice, challenge oppressive systems and empower marginalized communities. The focus would help understand effective marketing tactics for driving positive societal transformations, advancing social causes, investigating alternative economic models, degrowth principles and redefining success and well-being beyond conventional growth-driven metrics. This can enhance the understanding of how marketing strategies and practices can adapt to support a holistic approach to societal progress and leverage to promote social justice, fight poverty, support those at the base of the economic pyramid and empower marginalized communities and those “left behind” in developed countries.
- *Redefining value propositions:* Incorporating the recursive philosophical perspective and acknowledging the multi-actor interactions within the service ecosystem challenges conventional notions of how VPs are created. Scholars can investigate the intricate recursive process through which multiple actors collaboratively shape and redefine the VP, not only a dyadic firm–customer proposition. This exploration would delve deep into the interactions, exchanges and shared experiences among actors, highlighting their contributions to the VP. Another research focus would be the contextualization and adaptability of VPs, examining how they can vary across different contexts and within the service ecosystem. By recognizing the systemic and dynamic nature of VPs, researchers are suggested to explore how they can be adapted and customized to meet the evolving needs, preferences and expectations of various actors within the ecosystem. This research would emphasize personalizing and communicating VPs to individual and organizational actors or specific segments using digital technology and considering ethical and social dimensions. Furthermore, scholars can explore the power dynamics and fairness in the cocreation and value among different service ecosystem actors and how VPs can align with sustainability goals, social responsibility and inclusivity, considering environmental, social and governance factors.
- *Addressing global sustainability challenges through marketing:* Researchers should examine the role of marketing in addressing pressing global challenges, such as climate change, circular economy, social inequality and public health crises. The recursive perspective allows marketing to be leveraged as a force for positive change and

contribute to the UNs Sustainable Development Goals. Research within this broad topic also focus on developing strategies for circular and sustainable waste solutions within the biological and planet boundaries, not only in the short but, more importantly, in the long term. Public procurement is an area of great importance and potential that can be used to foster environmental values and innovations needed for sustainable transformation through circularity. Service and marketing research adopting a recursive approach to the above area opens up several research projects by zooming in on innovation procurement issues. It can examine alternative economic models and degrowth principles, providing insights on redefining success and well-being beyond conventional growth-driven metrics and key performance indicators. Moving beyond the materialistic approach and challenging the centrality of materialistic value in marketing, exploring alternative forms of value in post-consumerist societies. The focus would be on redefining and measuring value beyond traditional economic metrics to align with the changing societal and environmental values.

To date, the scope of academic marketing and service research has been narrow, with separate considerations of managerial firm-related issues. The recursive perspective would broaden the scope of research by addressing the more significant socioeconomic questions and incorporating the emergence that unfolds in interactions among actors in value creating ecosystems. The recursive perspective raises questions about the nature of value cocreation among multiple actors in ecosystems, where actors' expectations and VPs conflict and must be balanced to ensure that the service ecosystem stays viable and evolves over time. Finally, questions arise about identifying factors that transcend the recursive perspective and how this perspective can accommodate ongoing dynamic changes in marketing, market exchange and value creation. Academic marketing and service research would benefit from such a discussion in developing a solid theoretical basis for identifying, understanding and managing market and service phenomena.

References

- Achrol, R. and Kotler, P. (2012), "Frontiers of the marketing paradigm in the third millennium", *Journal of the Academy of Marketing Science*, Vol. 40 No. 1, pp. 35-52.
- Akaka, M.A., Koskela-Huotari, K. and Vargo, S.L. (2021), "Formalizing service-dominant logic as a general theory of markets: taking stock and moving forward", *AMS Review*, Vol. 11 Nos 3/4, pp. 375-389.
- Akgün, A.E., Keskin, H. and Byrne, J.C. (2014), "Complex adaptive systems theory and firm product innovativeness", *Journal of Engineering and Technology Management*, Vol. 31, pp. 21-42.
- Alderson, W. (1957), *Marketing Behavior and Executive Action: A Functionalist Approach to Marketing Theory*, Irwin, Homewood, IL.
- Alderson, W. (1965a), *Dynamic Marketing Behavior*, Irwin, Homewood, IL.
- Alderson, W. (1965b), *Dynamic Marketing Behavior: A Functionalist Theory of Marketing*, Irwin, Homewood, IL.
- Alvarez, S.A. and Barney, J.B. (2007), "The entrepreneurial theory of the firm", *Journal of Management Studies*, Vol. 44 No. 7, pp. 1057-1063.
- Alvesson, M. and Sandberg, J. (2011), "Generating research questions through problematization", *Academy of Management Review*, Vol. 36 No. 2, pp. 247-271.
- Anderson, P. (1999), "Complexity theory and organization science", *Organization Science*, Vol. 10 No. 3, pp. 216-232.
- Archer, M.S. (1982), "Morphogenesis versus structuration: on combining structure and action", *The British Journal of Sociology*, Vol. 33 No. 4, pp. 455-483.
- Archer, M.S. (1995), *Realist Social Theory: The Morphogenetic Approach*, Cambridge University Press, Cambridge.
- Archer, M.S. (2010), "Morphogenesis versus structuration: on combining structure and action", *The British Journal of Sociology*, Vol. 61 No. s1, pp. 225-252.
- Arndt, J. (1983), "The political economy paradigm: foundation for theory building in marketing", *Journal of Marketing*, Vol. 47 No. 4, pp. 44-54.
- Arthur, W.B. (2015), *Complexity and the Economy*, Oxford University Press, New York, NY.
- Bartels, R. (1976), *The History of Marketing Thought*, Grid Inc, Columbus, OH.
- Berger, P.L. and Luckmann, T. (1967), *The Social Construction of Reality: A Treatise in the Sociology of Knowledge*, penguin, London.
- Bernstein, R.J. (1983), *Beyond Objectivism and Relativism: Science, Hermeneutics, and Praxis*, University of PA Press, Philadelphia, PA.
- Bhaskar, R. (1975), *A Realist Theory of Science*, Verso, London.
- Bourdieu, P. (1977), *Outline of a Theory of Practice*, Cambridge University Press, Cambridge.
- Brown, S.L. and Eisenhardt, K.M. (1997), "The art of continuous change: linking complexity theory and time-paced evolution in relentlessly shifting organizations", *Administrative Science Quarterly*, Vol. 42 No. 1, pp. 1-34.
- Buckley, W. (2008), "Society as a complex adaptive system", *Emergence: Complexity and Organization*, Vol. 10, pp. 86-112.
- Calás, M.B., Smircich, L. and Bourne, K.A. (2009), "Extending the boundaries: reframing 'entrepreneurship as social change' through feminist perspectives", *Academy of Management Review*, Vol. 34 No. 3, pp. 552-569.
- Chakravartty, A. (2004), "Structuralism as a form of scientific realism", *International Studies in the Philosophy of Science*, Vol. 18 No. 2-3, pp. 151-171.
- Darwin, C. (1859), *On the Origin of species by Means of Natural Selection: Or the Preservation of Favoured Races in the Struggle for Life*, J. Murray, London.
- Denegri-Knott, J., Zwick, D. and Schroeder, J.E. (2006), "Mapping consumer power: an integrative framework for marketing and consumer research", *European Journal of Marketing*, Vol. 40 Nos 9/10, pp. 950-971.
- Deroy, X. and Clegg, S. (2015), "Back in the USSR: introducing recursive contingency into institutional theory", *Organization Studies* (01708406), Vol. 36 No. 1, pp. 73-90.
- Dixon, D.F. (1990), "Marketing as production: the development of a concept", *Journal of the Academy of Marketing Science*, Vol. 18 No. 4, p. 337.

- Drucker, P.F. (2001), *The Essential Drucker*, Butterworth Heinemann, Oxford.
- Edvardsson, B., Tronvoll, B. and Gruber, T. (2011), “Expanding understanding of service exchange and value co creation”, *Journal of the Academy of Marketing Science*, Vol. 39 No. 2, pp. 327–339.
- Ehret, M. (2013), “Emergence of business markets — a critical realist foundation”, *Industrial Marketing Management*, Vol. 42 No. 3, pp. 316–323.
- Einstein, A. (1920), *Relativity: The Special and General Theory*, Hartsdale, New York, NY.
- Embree, L., Carr, D. and Behnke, E.A. (1997), *Encyclopedia of Phenomenology*, Imprint: Springer, Cham.
- Engle, R.F., Hendry, D.F. and Richard, J.-F. (1983), “Exogeneity”, *Econometrica*, Vol. 51 No. 2, pp. 277–304.
- Ford, D.I. (1982), “The development of buyer-seller relationships in industrial marketings”, in Håkansson, H. (Ed.), *International Marketing and Purchasing of Industrial Goods: An Interaction Approach*, Wiley, Chichester.
- Geels, F.W. (2004), “From sectoral systems of innovation to socio-technical systems: insights about dynamics and change from sociology and institutional theory”, *Research Policy*, Vol. 33 Nos 6/7, pp. 897–920.
- Geertz, C. (1979), “From the native’s point of view: on the nature of anthropological understanding”, in Rabinow, P. and Sullivan, W.M. (Eds), *Interpretive Social Science: A Reader*, University of CA Press, Berkeley, Calif.
- Giddens, A. (1977), *Studies in Social and Political Theory*, Hutchinson, London.
- Giddens, A. (1979), *Central Problems in Social Theory: Action, Structure and Contradiction in Social Analysis*, Macmillan, London.
- Giddens, A. (1984a), *The Constitution of Society*, University of CA Press, Berkeley and Los Angeles, CA.
- Giddens, A. (1984b), *The Constitution of Society: Outline of the Theory of Structuration*, Polity Press, Cambridge.
- Giddens, A. (1993), *New Rules of Sociological Method: A Positive Critique of Interpretative Sociologies*, Polity Press, Cambridge.
- Giddens, A. and Dallmayr, F.R. (1982), *Profiles and Critiques in Social Theory*, The Macmillan Press, London.
- Gleick, J. (2008), *Chaos: Making a New Science*, Penguin Books, London.
- Gray, B., Purdy, J.M. and Ansari, S. (2015), “From interactions to institutions: microprocesses of framing and mechanisms for the structuring of institutional fields”, *Academy of Management Review*, Vol. 40 No. 1, pp. 115–143.
- Grewal, D., Hulland, J., Kopalle, P.K. and Karahanna, E. (2020), *The Future of Technology and Marketing: A Multidisciplinary Perspective*, Springer, Cham.
- Grönroos, C. (2023), “Towards a marketing renaissance: challenging underlying assumptions”, *Australasian Marketing Journal*, Vol. 31 No. 4, p. 14413582231172269.
- Guba, E.G. (Ed.) (1990), *The Paradigm Dialog Newbury Park*, Sage Publications, CA.
- Habermas, J. (1984), *The Theory of Communicative Action: Reason and the Rationalization of Society*, Beacon Press, Boston, MA.
- Håkansson, H. and Ford, D. (2002), “How should companies interact in business networks?” *Journal of Business Research*, Vol. 55 No. 2, pp. 133–139.
- Håkansson, H. and Snehota, I. (1995), *Developing Relationships in Business Networks*, Routledge, London.
- Heisenberg, W. (1926), *The Uncertainty Principle*, Macmillan, London.
- Hirschman, E.C. (1986), “Humanistic inquiry in marketing research: philosophy, method, and criteria”, *Journal of Marketing Research*, Vol. 23 No. 3, pp. 237–249.
- Högström, C. and Tronvoll, B. (2012), “The enactment of socially embedded service systems: fear and resourcing in the London borough of Sutton”, *European Management Journal*, Vol. 30 No. 5, pp. 427–437.
- Holbrook, M.B. (2003), “Adventures in complexity: an essay on dynamic open complex adaptive systems, butterfly effects, self-organizing order, coevolution, the ecological perspective, fitness landscapes, market spaces, emergent beauty at the edge of chaos, and all that jazz”, *Academy of Marketing Science Review [Online]*, Vol. 6, pp. 1–184.
- Holbrook, M.B. and Hirschman, E.C. (1982), “The experiential aspects of consumption: consumer fantasies, feelings, and fun”, *Journal of Consumer Research*, Vol. 9 No. 2, pp. 132–140.
- Holland, J.H. (1995), *Hidden Order: How Adaptation Builds Complexity*, Addison-Wesley, Reading, Mass.
- Hudson, L.A. and Ozanne, J.L. (1988), “Alternative ways of seeking knowledge in consumer research”, *Journal of Consumer Research*, Vol. 14 No. 4, pp. 508–521.
- Hunt, S.D. (1976), “The nature and scope of marketing”, *Journal of Marketing*, Vol. 40 No. 3, pp. 17–28.
- Hunt, S.D. (1991), “Positivism and paradigm dominance in consumer research: toward critical pluralism and rapprochement”, *Journal of Consumer Research*, Vol. 18 No. 1, pp. 32–44.
- Hunt, S.D. (2003), *Controversy in Marketing Theory: For Reason, Realism, Truth, and Objectivity*, Sharpe, Armonk, N.Y., M.E.
- Hunt, S.D. (2010), *Marketing Theory: Foundations, Controversy, Strategy, Resource-Advantage Theory*, Sharpe, Armonk, N.Y., M.E.
- Hunt, S.D. (2018), “The philosophy of science foundations of marketing research: for scientific realism and the inductive realist models of theory status and generation”, *Journal of Global Scholars of Marketing Science*, Vol. 28 No. 1, pp. 1–32.
- Husserl, E. (1970), *Logical Investigations*, Routledge & Kegan Paul, London.
- Jenkins, R. (1996), *Social Identity*, Routledge, London.
- Jochims, T.P.C.M. and Rutgers, M.R. (2005), “Coming to terms with the complementarity of agent and structure”, *Public Administration Quarterly*, Vol. 29, pp. 385–414.
- Jones, D.B. and Tadjewski, M. (2017), *Foundations of Marketing Thought: The Influence of the German Historical School*, Routledge, London.
- King, A. (2010), “The odd couple: Margaret archer, Anthony Giddens and British social theory”, *The British Journal of Sociology*, Vol. 61 No. s1, pp. 253–260.
- Kotler, P. and Levy, S.J. (1969), “Broadening the concept of marketing”, *Journal of Marketing*, Vol. 33 No. 1, pp. 10–15.
- Kuhn, T.S. (1970), *The Structure of Scientific Revolutions*, Chicago, University of Chicago Press, Chicago.

- Kumar, V. (2015), "Evolution of marketing as a discipline: what has happened and what to look out for", *Journal of Marketing*, Vol. 79 No. 1, pp. 1–9.
- Kumar, N., Scheer, L. and Kotler, P. (2000), "From market driven to market driving", *European Management Journal*, Vol. 18 No. 2, pp. 129–142.
- Latour, B. (2005), *Reassembling the Social: An Introduction to Actor-Network-Theory*, Oxford University Press, Oxford.
- Layton, R.A. (2007), "Marketing systems—a core macromarketing concept", *Journal of Macromarketing*, Vol. 27 No. 3, pp. 227–242.
- Layton, R.A. (2011), "Towards a theory of marketing systems", *European Journal of Marketing*, Vol. 45 No. 1/2, pp. 259–276.
- Lightwood, J.M. (1883), *The Nature of Positive Law*, Macmillan, London.
- Lusch, R.F. and Vargo, S.L. (2014), *Service-Dominant Logic: Premises, Perspectives, Possibilities*, Cambridge University Press, Cambridge, UK.
- McGovern, G.J., Court, D., Quelch, J.A. and Crawford, B. (2004), "Bringing customers into the boardroom", *Harvard Business Review*, Vol. 82 No. 11, pp. 70–80.
- Mackie, J.L. (1978), "Can there be a right-based moral theory?" *Midwest Studies in Philosophy*, Vol. 3, pp. 350–359.
- Meadows, D.H. and Wright, D. (2008), *Thinking in Systems: A Primer*, Chelsea Green Pub, White River Junction, Vt.
- Mezirow, J. (1990), *Fostering Critical Reflection in Adulthood: A Guide to Transformative and Emancipatory Learning*, Jossey-Bass Inc, San Francisco, CA.
- Nenonen, S., Kjellberg, H., Pels, J., Cheung, L., Lindeman, S., Mele, C., Sajtos, L. and Storbacka, K. (2014), "A new perspective on market dynamics: market plasticity and the stability–fluidity dialectics", *Marketing Theory*, Vol. 14 No. 3, pp. 269–289.
- Normann, R. and Ramírez, R. (1993), "From value chain to value constellation: designing interactive strategy", *Harvard Business Review*, Vol. 71 No. 4, pp. 65–77.
- Outhwaite, W. (1975), *Understanding Social Life: The Method Called Verstehen*, Allen & Unwin, London.
- Peikoff, L. (1991), *Objectivism: The Philosophy of Ayn Rand*, Dutton, New York, NY, N.Y.
- Peter, J.P. and Olson, J.C. (1983), "Is science marketing?" *Journal of Marketing*, Vol. 47 No. 4, pp. 111–125.
- Pine, I.I.B.J. and Gilmore, J.H. (1998), "Welcome to the experience economy", *Harvard Business Review*, Vol. 76, pp. 97–105.
- Prahalad, C.K. and Ramaswamy, V. (2000), "Co-opting customer competence", *Harvard Business Review*, Vol. 78, pp. 79–87.
- Prigogine, I. and Stengers, I. (1984), *Order out of Chaos: Man's New Dialogue with Nature*, Toronto, Bantam books.
- Schütz, A. (1967), *The Phenomenology of the Social World*, Northwestern university press, New York, NY.
- Sewell, J.P. (1966), *Functionalism and World Politics*, Princeton University Press, Princeton.
- Sharma, A. and Sheth, J.N. (2004), "Web-based marketing: the coming revolution in marketing thought and strategy", *Journal of Business Research*, Vol. 57 No. 7, p. 696.
- Shaw, A. (1912), "Some problems in market distribution", *Quarterly Journal of Economics*, Vol. 26 No. 4, pp. 703–765.
- Sheth, J.N., Gardner, D.M. and Garrett, D.E. (1988), *Marketing Theory: Evolution and Evaluation*, Wiley, New York, NY.
- Shostack, G.L. (1977), "Breaking free from product marketing", *Journal of Marketing*, Vol. 41 No. 2, pp. 73–80.
- Smart, J.J.C. (2014), *Philosophy and Scientific Realism*, Routledge, London.
- Sterman, J.D. (2000), *Business Dynamics: Systems Thinking and Modeling for a Complex World*, Irwin McGraw-Hill, Boston.
- Strandvik, T., Holmlund, M. and Grönroos, C. (2014), "The mental footprint of marketing in the boardroom", *Journal of Service Management*, Vol. 25 No. 2, pp. 241–252.
- Sulkowski, A. and Waddock, S. (2012), "Beyond sustainability reporting: integrated reporting is practiced, required, and more would be better", *U. St. Thomas LJ*, Vol. 10, p. 1060.
- Sundbo, J. and Gallouj, F. (2000), "Innovation as a loosely coupled system in services", *International Journal of Services Technology and Management*, Vol. 1 No. 1, pp. 15–36.
- Vargo, S.L. (2007), "On a theory of markets and marketing: from positively normative to normatively positive", *Australasian Marketing Journal*, Vol. 15 No. 1, pp. 53–60.
- Vargo, S.L. (2008), "Customer integration and value creation: paradigmatic traps and perspectives", *Journal of Service Research*, Vol. 11 No. 2, pp. 211–215.
- Vargo, S.L. and Lusch, R.F. (2004), "Evolving to a new dominant logic for marketing", *Journal of Marketing*, Vol. 68 No. 1, pp. 1–17.
- Vargo, S.L. and Lusch, R.F. (2008a), "Service-dominant logic: continuing the evolution", *Journal of the Academy of Marketing Science*, Vol. 36 No. 1, pp. 1–10.
- Vargo, S.L. and Lusch, R.F. (2008b), "Service-dominant logic; further evolution", *Journal of the Academy of Marketing Science*, Vol. 36 No. 1, pp. 1–10.
- Vargo, S.L. and Lusch, R.F. (2016), "Institutions and axioms: an extension and update of service-dominant logic", *Journal of the Academy of Marketing Science*, Vol. 44 No. 1, pp. 5–23.
- Vargo, S.L. and Morgan, F.W. (2005), "Services in society and academic thought: an historical analysis", *Journal of Macromarketing*, Vol. 25 No. 1, pp. 42–53.
- Vargo, S.L., Lusch, R.F., Akaka, M.A. and Yi, H. (2010), "The service-dominant logic of marketing: a review and assessment", *Review of Marketing Research*, Vol. 6, pp. 125–167.
- Vargo, S.L., Akaka, M.A. and Vaughan, C.M. (2017), "Conceptualizing value: a service-ecosystem view", *Journal of Creating Value*, Vol. 3 No. 2, pp. 117–124.
- Vargo, S.L., Peters, L., Kjellberg, H., Koskela-Huotari, K., Nenonen, S., Polese, F., Sarno, D. and Vaughan, C. (2022), "Emergence in marketing: an institutional and ecosystem framework", *Journal of the Academy of Marketing Science*, Vol. 51 No. 1.
- Vargo, S.L., Wieland, H. and Akaka, M.A. (2015), "Innovation through institutionalization: a service ecosystems perspective", *Industrial Marketing Management*, Vol. 44, pp. 63–72.
- Venkatesh, A., Penaloza, L. and Firat, F. (Eds), (2006), *The Market as a Sign System and the Logic of the Market*, M.E. Sharpe, Armonk, New York, NY.

- Vink, J., Koskela-Huotari, K., Tronvoll, B., Edvardsson, B. and Wetter-Edman, K. (2021), "Service ecosystem design: propositions, process model, and future research agenda", *Journal of Service Research*, Vol. 24 No. 2, pp. 168–186.
- Von Bertalanffy, L. (1971), *General System Theory: Foundations, Development, Applications*, Allen Lane, London.
- Von Mises, R. (1968), *Positivism: A Study in Human Understanding*, Dover, New York, NY.
- Waldrop, M.M. (1992), *Complexity: The Emerging Science at the Edge of Order and Chaos*, Simon & Schuster, New York, NY.
- Webster, J.F.E. and Lusch, R. (2013), "Elevating marketing: marketing is dead! Long live marketing!" *Journal of the Academy of Marketing Science*, Vol. 41 No. 4, pp. 389–399.
- Wilkinson, I. and Young, L. (2002), "On cooperating firms, relations and networks", *Journal of Business Research*, Vol. 55 No. 2, pp. 123–132.
- Wind, W. (2006), "Challenging the mental models of marketing", in Sheth, J.N. and Sisodia, R.S. (Eds), *Does Marketing Need Reform? Fresh Perspectives on the Future*, M.E. Sharpe, New York, NY.
- Wirtz, J., Tuzovic, S. and Kuppelwieser, V.G. (2014), "The role of marketing in today's enterprises", *Journal of Service Management*, Vol. 25 No. 2, pp. 171–194.
- Worrall, J. (1989), "Structural realism: the best of both worlds?" *Dialectica*, Vol. 43 Nos 1/2, pp. 99–124.

About the authors

Bård Tronvoll is a Professor of Marketing and director for CREDS – Center of Research on Digitalization and Sustainability at Inland Norway University of Applied Sciences, Norway, Tronvoll is a Professor in Business Administration at CTF-Service Research Center at Karlstad University, Sweden. Tronvoll is a member of the editorial advisory board at the *Journal of Service Management* and *Journal of Business Research* and his work has been published in journals such as the *Journal of the Academy of Marketing Science*, *Journal of Service Research*, *Journal of Business Research* and *Marketing Theory*. His research interests include marketing theory, service innovation, customer complaining behavior/service recovery and digital servitization. Bård Tronvoll is the corresponding author and can be contacted at: bard@tronvoll.no

Bo Edvardsson is Professor of Business Administration, founder of CTF-Service Research Centre and former Vice Rector, Karlstad University, Sweden. He is Visiting Professor at Inland Norway University of Applied Sciences. In 2004 The AMA Career Contributions to the Services Discipline Award. In 2009 Edvardsson was appointed Honorary Doctorate, at Hanken in Finland. Bo is the former Editor of *Journal of Service Management* (JSM) and on the review board for several journals, including *Journal of Service Research* (JSR). Bo has published in several journals, including *JSR*, *JSM*, *Journal of the Academy of Marketing Science*, *JPIM* and *Marketing Theory*.