



# *Value creation and value co-creation in professional business services: a challenge in digital environment*

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*Because the purpose of business is to create a customer, the business enterprise has two – and only two – basic functions: marketing and innovation.*

*Drucker, P. 1954*

## **Introduction**

The sector of business services attract the attention of researchers mostly because of its increasing share in the economies and consistent environmental and societal impact. Business services are generally characterized by a relatively heterogeneous nature. The sector includes a number of professional and support services, engineering and technical maintenance services, intensive and creative professional services (management consulting, system engineering, marketing research, design activities, architectural activities, business models development; as well as information technology services (data processing: online-based services, e-government, e-procurement), but also research and development services (training and education, research institutions) ancillary services such as security and industrial cleaning. Business services are an integrated part of our industrial value chains and essential for European competitiveness, a strong Single Market and an industrial renaissance. There is no commonly accepted definition and classification for business services (Rubalcaba, 2007).

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A large and competitive part of the sector is formed by the Knowledge-intensive business services (KIBS). KIBS are defined as intermediary firms that provide highly knowledge-intensive expertise to other private or public companies and organizations. The knowledge-intensive business services sector's growth rate is soaring faster than that of other sectors especially in the knowledge economies (Desmarchelier et.al. 2012; Zieba, 2013). It can be argued that this rate is not only due to the growth of those sectors which are users of KIBS (European Monitoring Centre on Change (2005). According to statistical analyses, KIBS' growth is largely due to changes in the extent to which all sectors are demanding inputs from KIBS. At the same time their importance is growing in qualitative terms as they become increasingly influential sources of, and channels for **new knowledge**. The performance of KIBS does affect the performance of those organizations that are their clients, and thus the dynamism of the KIBS sector impacts on the whole economy. But the research interest is especially due to their perceived role to create knowledge and innovation and to innovate their customers on different stage of the value chain.

Global competition forces suppliers to continuously upgrade through value innovation. Researchers have also looked at the firm's role in encouraging and managing value co-production. In the services sector, drawing from the organizational socialization literature it was suggested viewing consumers as partial employees of the firm and further to be trained to perform their job and thus be engaged in the co-production (Meuter, 2005; Ertimur, 2010, Baltov, 2008).

From marketing point of view S-D logic argues that the concept of co-production is only one component of value creation. Value co-creation is considered as one of the most significant transitions in the contemporary marketing. It is making the shift from product-centric era to the consumer-centric one and introducing a fresh, new look towards the customer-company relationship concept and is key in business to-business marketing (Lindgreen et al., 2009, Möller, 2006). The value co-creation rather become a necessity than a choice for businesses and could be beneficial for all engaged parties in many ways (Krasteva, 2017): 1) **Customer Relationship**: giving the customer the power and ability to co-create with the provider builds a stronger relationship, ensuring



more loyal and satisfied customers; 2) **Insights:** Value co-creation gives companies a better insight on customer's behavior; 3) **Idea Generation:** customers can provide valuable ideas; 4) **Cost Reductions:** Value co-creation may do sometimes the consumers to become the best designers or even marketers (Baltova, 2013).

Research on knowledge transfer and value co-creation in professional business services is on its early stage and does not sufficiently address the expectations for the development of these processes (Baltov, 2013). At the same time, the "offer" of the professional business services as well is increasingly being offered through new digital tools as the social media (Kao et al. 2016). The social media like Facebook, Twitter, LinkedIn etc. became a vital global platform for manufacturers and their clients to communicate and exchange opinions, ideas, to share experiences and a platform for interact and co-create value (Kane et al., 2009).

When exploring this processes an in depth look at the mega tendencies that will have a significant impact on the transfer of knowledge, the creation and co-creation of value in professional business services in the medium and long term should be regarded as well. They are mostly related to cost reductions and faster introduction of innovation to competitors. The intensive use of new technologies such as social networks and social media, use of security-related and information storage solutions, virtual solutions. The importance of social networking for business also stems from the trend of enhanced use of text messaging as a communications environment. Influenced business intelligence systems will allow the collection of large volumes of information at various levels in a variety of selected areas to be analyzed and provided for decision-making, risk reduction in organizational behavior, even for the development of new business models. The strength of the individual will drive innovation (Baltov, 2008). Business opportunities are being created to get feedback or testing your product or service on a "social road", Facebook, Google, Twitter, smartphones, tablets, e-readers, which would lead to a better understanding of both the user's needs and the employees.

To some extent, the development of production supports the view of "blurring" the old boundaries between the manufacturing and service sectors (Accenture, 2012, Baltova, 2013). In digital

environments, transformations are the result of profound changes in technology, at the center of which, however, humanity is placed. **People first: The primacy of people in the digital age** (Accenture, 2016). Within the framework of the new science-management paradigm, a central role is assigned to the human factor. In this respect, digital literacy and digital literacy skills are given priority in shaping strategies at different levels, corporate, national, European, etc. (Iliev, 2014).

The growing use of Internet technologies, the continuing decline in the need for a direct client-to-customer relationship is important in the research of the sector of knowledge-intensive business services and specifically the professional business services to the formation of future policies. The transformation that takes place in a digital environment resulting from the use of social media can be extremely successful for the development of organizations in business services. When done well, marketing operations lead to a 15-25% improvement in marketing efficiency, measured by return on investment and indicators of buyer engagement (Edelman, D., Heller, J., 2015).

In the scientific literature there is a gap in the topic of the role of social media and digital marketing in business-intensive in professional business services. The importance of the content of communication in social media has led to the creation of prerequisites for adding value or participation in the co-creation process of value-intensive business services and deserves to be explored empirically and conceptually. That is why any research and gaining new knowledge about in that arena can contribute to value co-creation in the context of complex, knowledge-based supply processes. Specifically for Bulgarian companies, each study will bring knowledge to the undeveloped area of knowledge-intensive business services and will create prerequisites for encouraging the development of this sector to bring value and innovation to its clients (Baltova, 2013).

### **Defining the concept and knowledge nature of professional business services**

Professional business services form an important part of the knowledge-intensive business services (KIBS) industries. The Professional business services have been among the most dynamic segments of the service sector in European



countries since the mid-1980s and are one of the most rapidly growing sectors of the EU economy (Rubalcaba et al. 2007; Corrocher et al., 2014). They rely on professional knowledge to a high extend and they either are themselves primary sources of information/knowledge or they use knowledge to produce intermediate services for their clients' production processes (Miles, 2005). den Hertog (2000) described the KIBS as organizations that rely on knowledge and expertise related to a specific (technical) discipline or functional domain and that supply intermediate products and services that are knowledge based. Further Toivonen (2004) defined them as “those services provided by businesses to other businesses or to the public sector in which expertise plays an especially important role”. In the 1990s, knowledge, innovation and spatial proximity became the three key dimensions that have been largely researched (Muller et al., 2007). The increase of the importance of knowledge and innovation in today's knowledge economies strengthens the interest in learning intensive business knowledge.

For Gallouj (2002), the professional business services can be described as a “knowledge accumulation system”, which “accumulates, capitalizes and protects the knowledge derived from different service transactions”. According to him, the demand for professional business services can be “explained less by transaction costs than by cognitive differentials”. In other words, the quality of a professional business services provider is estimated by the client in terms of knowledge differentials. The more important the difference perceived by the potential clients is, the more the demand for professional business services will increase. For Baumol and al. (2007 p.51) “unlike investment in a new machine, which has more or less predictable productivity enhancing consequences, investment in knowledge discovery is fraught with uncertainty”. It can be said that a greater differential of knowledge reduces this uncertainty.

The basic concept of looking at professional business services is that they are holders of intensive knowledge that they transmit to other business organizations - private or public. Knowledge is the main production factor and product that produces these services. While knowledge in its various forms is an intangible asset that is inherent in every

company, the knowledge of the professional business services is their primary resource they use in their production but also sells products and services with a significant proportion of intangibles assets. The development of professional business services is measured to a large extent by the value they generate and the jobs they provide. This knowledge-intensive character can be interpreted in terms of both the intensive use of highly skilled and specialized human resources and the conditions under which transactions between the supplier and the user of such services occur.

Professional business services are characterized by the ability to receive information from outside the company and to transform this information together with firm specific knowledge into useful services to their customers. Due to the dynamic nature of the knowledge conversation process in professional business services, various forms of tacit and explicit knowledge are constantly mixed, redefined, linked, exchanged, reshaped and enriched in the course of interaction between professional business services and their customers (Grant, 1996). The professional business services can, however, get new information, new expertise, and strengthen the process of knowledge conversion in customers and vice versa.

But what does knowledge mean? Economic theory has not yet reached a single conceptual vision of knowledge. There is a blurring of the boundaries between data concepts, information, competences, abilities, knowledge. While information entails well stated and codified propositions about “states of the world”, that is objects or events, or explicit mechanisms, recipes or laws, knowledge includes cognitive categories, codes of interpretation, tacit skills and problem solving and fuzzy defined search heuristics. As such knowledge is a capacity to interpret information (a state of the world) (Gadrey et al., 2002).

These services include employees with very high professional skills, far higher than other service sectors and the economy as a whole. Associated with high professionalism and efficiency, the professional business services are perceived as users, carriers and sources of innovation for companies (Miles et al., 1995). Their knowledge and networks can help clients who serve to grow and increase their competitiveness and thus contribute to the growth of the country's economy. Professional business services are typically high



standing, based on a strategy for using personalized knowledge (Europe Innova, 2011).

Professional business services are part of the intensive knowledge business services. Although there is no uniform definition in the literature, Von Nordenflycht (2010) offers a taxonomy of business professional business services, defining four types:

a) Classical firms in professional services (e.g. legal and accounting firms) - characterized by the intensity of high knowledge, a professional workforce and a low capital intensity;

b) Professional campuses (e.g. hospitals) - characterized by the intensity of high knowledge, a professional workforce, high capital intensity;

c) New firms in professional services (e.g. management consultants) - characterized by high intensity of professional knowledge, professional workforce and low capital intensity;

d) Technological Developers (e.g. R & D, Biotechnology) - characterized by high intensity of knowledge and high capital intensity.

These characteristics are responsible for sector-specific governance mechanisms which coordinate the transactions and interactions within and across the borders of the sector (Strambach, 2008). Meanwhile, in international studies it is empirically well documented that formal and informal network relationships, references, reputation and long-term relationships together make up a key function as coordination mechanism in interaction processes between the professional business services and their customers as well as among the professional business services firms themselves (Tödting et al., 2006; Glückler et al., 2003; Logsdon et al., 2002).

Knowledge between the professional business services providers and their customers is exchanged through different delivery channels. Information and communication technologies have led to the development of **new channels for the delivery of e-services to consumers and the development of digital ecosystems** that promote the development of firms in the field of professional business services. The recent impressive development of social media has enabled organizations to rearrange their markets and the way they do their business. As a result of this change, the relationships they support also changed. Conventional channels, vertical marketing systems, and more recently, value chains and business ecology influence degrees of cooperation,

interdependence, independence, and autonomy.

### **Defining the concept of value creation and value co-creation**

*The word VALUE, it is to be observed, has two different meanings, and sometimes expresses the utility of some particular object, and sometimes the power of purchasing other goods which the possession of that object conveys. The one may be called "value in use;" the other, "value in exchange." The things which have the greatest value in use have frequently little or no value in exchange; on the contrary, those which have the greatest value in exchange have frequently little or no value in use.*

*Adam Smith (1723–1790)*

*Moral philosopher and "father of modern economics"*

Business services are related to activities that support businesses but do not produce tangible goods. Like other services, they are consumed during their production, cannot be stored or transported, nor can they be identified before purchase. These features have been subject to a number of criticisms in recent years, focusing on their consideration as a source of value creation rather than as a market category. Research, mainly in Europe, shows that professional business services are increasingly being used to increase the value of products by forming combinations of products and services and play an important role in the development of the European economy (Baltova, 2013, European Commission, 2014).

In addition, professional business services help build and enhance the innovation capabilities of small businesses (Martinez-Fernandez et al., 2004, Schricke et al., 2013). The added value created by professional business services is often used as an indicator of the overall knowledge intensity of the economy. Primary added values consist of creating, accumulating, and disseminating knowledge to develop high profile intangible solution services. At the same time, corporate service providers (professional business services) "learn" from the intense interaction with their customers. It is possible to solve the problems together by adapting the company's expertise.

The concept of value and value to be delivered to customers has become a significantly growing aspect of business and marketing strategy. Value has



long been understood in the sense that customers are buying benefits rather than properties (Aarikka-Stenroos et al., 2010). Organizational marketing is based on the same principles as consumer value, rather than product or service. **Business customers buy solutions for business problems, not just stand-alone products.** These benefits and solutions add value to the customer and represent the reason why one bid is preferred over another. The solutions provided by professional business services are based on highly professional knowledge and expertise.

For both consumers and business customers, the value is determined by the pure satisfaction received from a transaction rather than the acquisition cost. Kothandaraman et al. (2001) argue that value creation depends on the organization's ability to deliver high productivity to those benefits that are important to the customer, and this is rooted in their expertise in technology and business processes, i.e. in their key competences. The value is relevant to the expectations and experience of the customers in the category. In professional business services, it can be produced from sources other than the product / service, such as the relationship between buyers and sellers. Creating and sharing value in buyer-seller relationships can be seen as an important aspect in choosing a marketing channel. Organizations in professional business services actually manage a portfolio of relationships that are strongly influenced by trust and dedication where shared knowledge sharing delivers value and that value may be co-created by both sides.

Creating value jointly by the supplier and the client is central to the marketing literature in the first place in terms of "value in use" and the roles of users as co-creators of this value (Galvagno et al., 2014). Marketing has inherited the pattern of exchange from economic theory, the dominant role of which is based on the exchange of goods manufactured by industrial method. This logic is focused on material resources, embedded values and transactions. In recent decades, a new approach has emerged that shifted the focus to non-intangible (intangible) resources, joint creation of value and relationships. This is the most well-known conceptualizations of services in the last decade is the service-dominant logic by Vargo and Lusch (2004). The continuity of Vargo & Lush research addresses the formation of the process as promising to form a new dominant logic of marketing, the basis of which will not be the

economic exchange of products and services (Vargo et al. 2006). Their approach was to redress the model of exchange in marketing, which had a dominant logic based on the exchange of "goods", which are mainly manufactured outputs. In the new marketing-dominant logic, service provision rather than goods is fundamental to economic exchange (Morrar, 2014).

The main proposition of service-dominant logic is that: *"...organizations, markets, and society are fundamentally concerned with exchange of service – the applications of competences (knowledge and skills) for the benefit of a party. That is, service is exchanged for service; all firms are service firms; all markets are centered on the exchange of service, and all economies and societies are service based. Consequently, marketing thought and practice should be grounded in service logic, principles, and theories"* (Lusch & Vargo, 2004). Thus, the service-dominant logic highlights the role of producer and consumer in the production of a service (i.e., value is co-created).

Recently, Cova and Dali (2009) have introduced the concept of a working user to understand how users jointly create value (Cova et al., 2009). Asking three basic questions: 1) Who is responsible for value co-creating? 2) How is the value, how is communicated and transferred to the market? and 3) what is the role of the community in the process of value co-creating? In spite of in-depth studies, collaborative value-creation processes and the roles of participants and co-users in the process are still unclear.

Pongsakornrunsilp et al. (2004) studies the roles of consumers and consumer groups in the co-creation process through win-win relationships to demonstrate the bright side of co-creating a value from which all parties can benefit from value. There are a number of conceptual models in the literature that link the co-creation of value, including working users, co-creation, spending, consumer empowerment, consumer resistance, consumer agency, consumer community. Prahalad et al. (2003) bring the understanding of value creation by making allusions to changing roles in the theater of the market: customers and suppliers interact between and extensively cooperate through the pricing system that traditionally appears as a mediator of the "supplier-user" relationship.

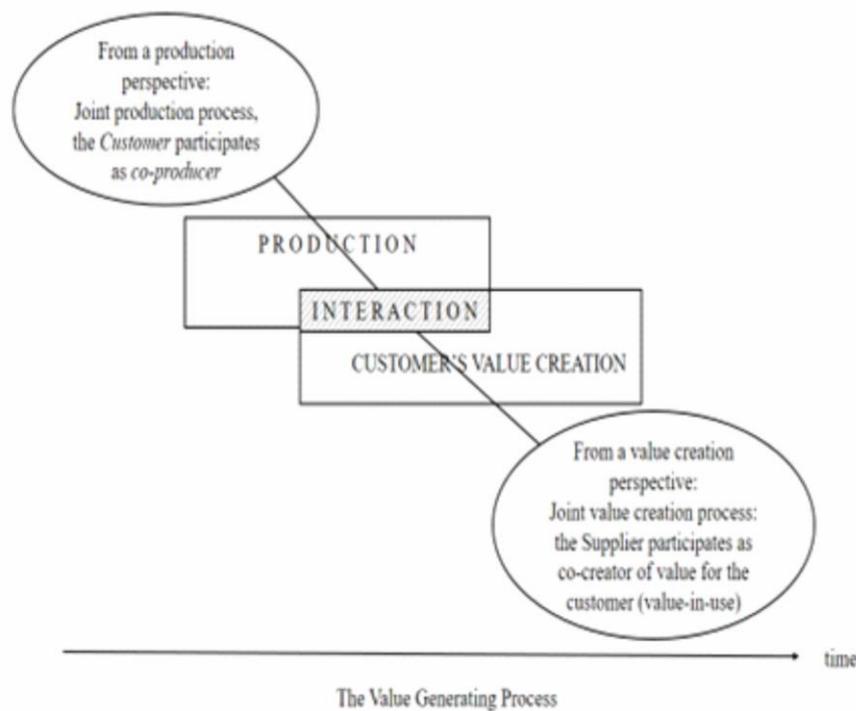
The question of value creation in professional business services is of interest to researchers from



the outset of concept creation more than 20 years ago (Baltov, 2008). Generally speaking, information and issues can be discussed around two major collaborative value creation processes or co-creation in the context of the commitments that exist in professional business services: 1) Convergence of the interests of the players (stakeholders), offering value and resources; and 2) The ability of players to integrate their engagements and results as the basis for their perceptions of jointly created value. Using this framework, a more successful collaboration between professional business services providers, customers and partners can be achieved, as well as monitoring the players' behavior in the collaborative process, the resources involved, and the results of the collaboration, from different perspectives participating countries (Baltov, 2013).

Studies revealed that this value emerges from reciprocal interaction between customers and suppliers, and not only through the use of good or service (Grönroos & Ravald, 2009). Later Grönroos (2011) proposed a model of these interactions, as a result of which a joint value is created (Fig.1). Therefore, based on today's emphasis on value-in-use, i.e. the goal of business is reciprocal value creation, with service as a mediating factor in this process.

A service logic means that a supplier does not provide resources for the customers' use only, but instead it provides support to its customers' business processes through value-supporting ways of assisting the customers' practices relevant to their business (business effectiveness instead of operational efficiency only) (Grönroos, 2011).



**Figure 1.** Value creation and the phases of the value-generating process (Grönroos, 2011)



We may agree that delivering services in itself is not enough to generate benefits (Kohtamäki et al., 2016). Companies must engage their customers in the value creation process so that it is the right value (in the form of earnings, profits, referrals, etc.) generated by their proposals. This requirement is particularly evident in the exchange of professional business services. The concept of Service-Dominant logic also emphasizes **the importance of interaction and relationships in the overall exchange** (Aarikka-Stenroos et al. 2012). It places more emphasis on the role of the customer, arguing that value is always determined and created with the client. **Service-dominant (S-D) logic** is meta-theoretical framework for explaining value creation, through exchange between the supplier and its client.

To be able to benefit from the value co-creation, companies first have to build the proper **internal environment** and tools needed to handle the exciting new ideas that many come through the various sources (Krasteva, 2017, p.91). Additionally to get the most useful co-creation ideas, companies should selectively chose their co-creation partners and focus on specific customer segments that are of high importance for them and also evaluate specific individuals who show high potential for idea generation.

Following Grönroos (2011) the **value-generating process is not as linear always as it on the figure**. The customer may also, for example, initiate the development of new resources or solutions. In that case the process of value creation may start with an interaction, where co-creation of value by the parties involved takes place. This phase may lead to another production phase, where no interactions occur. This phase may, for example, include manufacturing of a resource.

Aarikka-Stenroos et al. (2010) empirically demonstrated that value co-creation within professional business services occurs through a dyadic problem solving process encompassing five key activities: diagnosing needs, designing and producing the solution, organizing the process and resources, managing value conflicts, and implementing the solution. Moreover, they found that the process does not necessarily progress in a linear fashion – the activities may occur in parallel and in diverse order. This is because both parties in professional business services play a critical role in the problem solving process: professional business

services suppliers contribute resources such as accumulate specialization and professional integrity, whereas customers typically contribute information about their needs and their business (Baltova, 2013).

In contrast to normative views, the findings of Lehrer et al. (2012) endeavored to assess the actual perceived benefits of achieving high levels of co-production and client collaboration (Baron et al., 2007). Moreover, whereas Vargo, Maglio, and Archpru Akaka (2008) articulate the unconditional premise of service-dominant logic that "the customer is always a co-creator of value". Lehrer et al. (2012) research is suggestive of situations and conditions under which greater autonomy of professional business services providers might be more suitable. In their "more contingent view, value co-creation constitutes an option rather than an imperative for service providers".

#### **The social media - facilitator to barrier of knowledge transfer and value co-creation in professional business services**

*Understanding your social audience's passions can help identify interest areas previously not considered based on customer data alone.*

*Jay Wilson & Martin Kihn*

*'Connect social IDS and customer data to create powerful, actionable marketing'*

As it was discussed above, in general terms interaction is mutual or reciprocal action where two or more parties have an effect upon one another. An inherent aspect of interaction is connectivity, i.e. the parties involved are in some contact with each other. In a business context, supplier-customer interactions mean that two or more parties are in contact with each other for a business reason, and in these contacts they have opportunities to influence one another's processes. Supplier-customer relationships are a key feature of the marketing of professional business services. Developing and maintaining a positive relationship between supplier / service provider and buyer organizations on the market for professional business services is **critical to success**.

Unlike consumer markets, where relations are believed to revolve mainly around the active vendor and the passive buyer, in the professional business



services market, they include networks of links where **participants are thought to be interactive**. This means that both buyers and sellers are actively involved in initiating and maintaining relationships either directly or indirectly. From what has been said, it follows that marketing and professional business services are *collaboration and partnership to develop, distribute and support products and services that are the foundation of knowledge*.

Modern digital marketing is based on well-thought-out new processes, coordination and management to deliver economies of scale. Interactivity, targeting, personalization, and optimization of digital channels are some of the ways forward. Hundreds of company examples show that marketing operations have a key role to play in boosting corporate growth, increasingly embracing the application of new technology platforms and their distribution within marketing mix spending (Edelman et al., 2015).

The way companies use professional media in professional services is changing rapidly. Until so long ago, these channels were perceived more as distractions, as well as controlling the risk of deterioration of reputation. Today, businesses in professional business services recognize how powerful social media are and how they can help their business.

And of course, how important it is to keep their digital brand and reputation. Globally, the number of companies that turn into "social" is growing. Another important element in the digital environment, much more characteristic of professional business services, is **public reputation (reputation in social networks)**. The public reputation of the style, approach and ability that large companies in the professional business services sector maintain in the media cannot be attributed to the individual experience.

Therefore, the problem with the customer is that this information remains at your fingertips. Public reputation is based on open information, which is known to everyone so that no client has any particular information before everyone else. In a situation of strong institutional and business insecurity, public reputation is an unsatisfactory mechanism for choosing a partner. While it may relate to areas of expertise and help break the market, international companies on the one hand and small to medium local or regional consultants

on the other hand do not provide reliable information about a particular quality performance or relational security for the client.

In this context, in order to be successful in a digital environment, businesses in the professional business services sector need to realize that they are **in competition not only with other consultants in digital (internet) space, but also with media companies in the industry**, Google, and even with the street billboard. This means that creating and distributing content that is so good or better than anything else in their industry and should become a basic strategy for the company. One that will ensure creation and retention of customers. So companies in the professional business services sector can be seen as publishers today. Using social media, companies receive unbiased views from real and potential clients for less cost. Such are blogs supported by the companies themselves, or activities in dedicated blogs, social networks like LinkedIn, Twitter, even Facebook. Increasingly important are webinars, white papers, slideshare publications, videos on youtube, and the power of blogging.

Professional business services are defined as the most heterogeneous services related to a high degree of customer influence, freedom of action but also personal judgment of the supplier, and insecurity (Gummesson, 1978, Thakor et al., 200, Schmenner, 1986). To be able to implement successful digital marketing tools, you need to know **the market behavior of business services**. The significant amount of research focused on the implications that the heterogeneity, complexity, intangibility and presence of the customer and its involvement in creating the end product/ service may have on the marketing, management and creation of business services in general.

The characteristics of professional services influence how they are marketed. Professionals working in organizations providing professional services traditionally enjoy relative autonomy in their work (Aarikka-Stenros et al, 2010). This autonomy refers to the freedom and the obligation to exercise its decision in an objective manner, relying on its expertise and knowledge, without the influence of non-members of their professional circle (Gummesson, 1978, Ritsema van Eck-van Peet et al.1992). Their expertise and professional status are, in fact, an authorization for professional service providers to deal with their clients' problems



(Hausman, 2003; Lapierre, J., 1997). The key characteristics of the business services markets are associated with a number of factors, the main ones being the nature of demand, purchasing processes, international dimensions, and perhaps the most important one is that they are relevant to the relationships that develop between organizations in the process of purchase and sale (Table 1). In

consumer markets, decisions are taken relatively quickly, the level of risk is low, especially for everyday products. In them, the focus is primarily on the emotional aspects that attract the buyer. One important aspect is also that the organization's purchasing behavior is more a process than a static one-time event.

**Table 1.** The main differences between professional business services and consumer marketing\*

	Key characteristics	
	Consumer markets	Professional Business markets
Nature of markets		
Purchase orientation to satisfy	Individual or family needs	Organisational needs
Number of decision makers	Small	Large
Length of decision time	Short and simple	Long and complex
Seize of purchase	Small quantities	Large in value and volume
Consequence of poor purchase	Limited	Potentially critical
Nature of product/service	Standard range of products	Customised packages
Channel configuration	Complex and long	Simple and short
Promotion focus	Psychological benefits	Economic/utilitarian benefits
Primary promotional tool	Advertising	Personal selling

*\*adapt by Fill, Ch., Fill, K., 2005*

For professional business services the potential risk is often high, so the decision-making period is often much longer and involves significantly more people. Therefore, the nature and form of interaction between organizations is based on an understanding of the individual needs of business customers and a willingness to provide and exchange information.

In consumer goods, purchases are made, and often consumed, individually. Buying a business market is basically a group activity, with the composition and size of the group changing according to the importance of the purchased service. In literature, and in practice, the "group" is the unit that decides to purchase. Consumption is activity of the organization.

A number of studies have shown that the most successful marketers are focused on managing four major sources of value-generating through social media: **First**, they coordinate their activities so as to engage users across the entire digital consumer

path. **Secondly**, they direct interest in their brands by pooling content that enables the user to build their own market identity and serve as brand ambassador in that process. **Third**, they respect the need to think as a publisher of large-scale multimedia, managing to manage the incredible increase in content they create in support of products, segments, channels, and promotions. **Finally**, they strategically approve the collection and use of the abundance of available digital data. With the flows of digital technologies and specifically the Internet, market behavior of buyers and sellers has changed unprecedentedly.

Already in 2006, Dave Evans, the creator of Digital Voodoo and the author of "The Social Media Marketing The Next Generation of Business Engagement" (Dave Evans, Jake McKee, 2010) proclaims It's All About Content. The study of a number of case studies presented in the specialized literature allows us to focus on why more and more marketers turn and will have to pay attention to



content in digital marketing. Creating content that users will adapt and use on their social networks. Content that thoroughly communicates user needs.

In order to create adequate content for professional services, the following questions should be answered at least: How can businesses in professional business services get the most out of social media marketing? Have value created through digital marketing? - Is there a process of collaborative value creation in digital marketing? Yet, the competition is mostly about the content being authentic and trustworthy, as they compete with other businesses in their sector. A number of researchers and practitioners share that businesses in professional business services need to change their minds and realize that in order to lead industry experts and get online, they need to **create logical, valuable and irresistible content**.

Of course, knowing their niche, the areas in which the company may be the leading expert in the world of its specific buyers, or the knowledge of its audience (There is no need to target all those interested in the social media); Of the budget (It is necessary that the digital channel investment be a function of the content) and of the metrics (Four key indicators: number of retained clients, new services sold out of the offer (up sell); improved conversion rate, a greater number of generated leads; a C-level ROI of content marketing or what is the answer to the following questions: Does the content move your sales? Does the content save you costs; Does the content happy our customers so much as to help keep them?) Is just the basis for implementing digital marketing in professional business services?

In digital marketing for professional business services, good understanding of user-generated content deserves attention. It creates significant value for both businesses and consumers. Companies can encourage users to generate content using social media through competitions or special offers. Sometimes a simple opportunity to provide space for users to upload content is all it takes to generate a lot of content. The definition of content marketing has evolved. It is no longer just *"creation and distribution"*, the focus is on *value, relevance and consistency to attract and retain a clearly defined audience*, and ultimately to make a winning action for the client. Marketing in professional services **is not related to the creation of direct business deals**. It is built after lengthy efforts to **build a reputation, demonstrating abilities and**

**showing trust through opinions and leadership.**

As discussed above the main product here is the **professional tacit knowledge and the service is customized** (Europe Innova, 2011) the suppliers solve the problems of their clients by applying specialized knowledge and skills, as well as professional norms. It relies on personal relationships or partnerships, as well on **trust and reputation**.

The online presence will provide the company with virtual knowledge. Through online content, the buyer in professional business services can learn a lot about a product or service before he even needs to talk to a sales representative. In order to encourage consumers, and professional business services, they must be attracted to the content of the website. To achieve web site attractiveness, at least the following resources must be available, which are also part of every marketing strategy: a clear proposition; Calls-to-action; Social element; Good "User page"; Contact information; Blog, links to LinkedIn and more.

Hamari et. al. (2015) investigate a people's motivations to participate in collaborative consumption (CC) and their results show that participation in CC is motivated by many factors such as its sustainability, enjoyment of the activity as well as economic gains. Although goods and services shared in collaborative consumption are not of equal value, the original ideas of sharing economies: freedom of exchange, altruism, and communal trust should exist they suggest. In the case of professional business services when knowledge is shared through social media the co-created value is public and undoubtedly strongly influenced by factors such as reputation, enjoyment, and both intrinsic and extrinsic motivation (Hamari et al., 2015, Wasko et al. 2005). New business models based on the concept of collaborative consumption new challenges for the market place in the sharing economy. As the shared and consumed knowledge in knowledge-intensive business services is forming rather intellectual property than a standardized product, the collaborative consumption should be regulated. Regulation indeed has become a highly charged policy topic, leading to the question whether it protects consumers or restrains companies from entering collaborative consumption (Hartl et al., 2016, Koopman et al., 2015).

Globally, the issue of penetration of digital



technologies into professional business services is of particular interest to the providers of these services. Major companies in the area are publishing research reports that rather offer and apply methodologies to investigate the degree of digitization of companies in the sector and how they respond to changes in the digital environment (ex. Accenture, Bain, Capgemini, Tata Consulting, Gartner, McKinsey & Company, A.T. Kearney, Marketo etc.) Studies are also related to evolving digital transformation trends and achieving a high ROI from digital marketing investments.

As explained above, **the value co-creation** is a collaborative process during which a new value is produced both materially and symbolically. David McGuinness considers the creation of value in digital marketing through the **user's digital path** (digital user journey). From this perspective, users are seen as being able to realize their potential by using the purchase/ consumption to build, represent and maintain their identity, demonstrate knowledge, diversity and expertise, and build social networks.

The joint creation of value through social media marketing sounds like a very complex task, but it is actually a very simple concept and reserve to be explore in professional business services. It represents the implementation of the dominant logic of service that challenges the joint creation of value. Social media is a perfect tool for jointly creating value, because they increase the communication between the supplier company and the client.

### **Conclusion and future research**

The concept of value co-creation is a result of a large and irreversible business changes as well as within the relationships between suppliers and customers in professional business services and will continue to develop and acquire new forms and manifestations. New digital technologies create an environment where the boundaries of the knowledge generated by firms in professional business services may be blurring.

The discussed understanding on the research arena in marketing, that joint value creation exists only when interactions between the supplier and customers are performed, in professional business services should be regarded as relationship engaged in doing business, and thus an option to influence the process. The flows of tacit knowledge generated by the firms and supplied to their customers in the

digital environment more or the less if part of this customized service so a great level of trust, loyalty and reputation is needed when this knowledge is "spread" in the digital environment. This study defines clearly that content could be probably the cornerstone for value co-creation in this sector. Moreover the value co-creation in professional business services should be seen primarily from a management perspective and, to a lesser extent, from marketing point of view. The roles of both consumers and suppliers have also shifted in the sharing economy (Cusumano, 2015). Thereby, the research can be extended to examine empirically the impact of social media as a platform to facilitate the contribution of professional business services to create value and to further innovate their clients (business and public organizations).

The digital platform facilitate the global exposition of the professional business services transforming them in global players on the very competitive, growing and challenging market of the professional business services with very high value added. Having in mind that in professional business services it is extremely vital for the suppliers to develop training and educational programs for their clients in order to make sure that the client" s personnel fully and correctly use existing resources, the managers need to be proactively prepared to overcome any related issued may occur with value co-destruction (Lefebvre et al., 2011). Because in digital environment this process could be facilitated but as well misalign due to not clear communication another concept that need to be more in-depth studied in the sector of professional business services. The results may add to the improvement of knowledge sharing and value co-creation in professional business services and their increasing role to make their customers more competitive. This is especially viable and important for transition economies like Bulgaria where a very few companies are operating in this sector and are not enough globalized.

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