



School of Business

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“The Gain From Pain”

Dr Kerry Chipp – School of Business

Paper Abstract

Many things in life don't come easily. Often losing weight, becoming fit, managing serious illness and getting a higher degree are experiences fraught with difficulty. While pain is recognised as part and parcel of most consumption experiences (Liu, Mattila, & Bolton, 2018; Scott, Cayla, & Cova, 2017) what it means for value outcomes is less clear. Pain is understudied in service contexts, and when it has, it is bundled with promotions and motivations (Liu et al., 2018) rather than value. Historically schools of thought on value would take a trade-off approach (Zeithaml, 1988); these are necessary sacrifices to be made which are outweighed by the end benefit. Alternatively, means end theorists would focus on the eventual outcome (see for example Gallarza, Gil-Saura, & Holbrook, 2011; Holbrook & Hirschman, 1982; Sánchez-Fernández, Iniesta-Bonillo, & Holbrook, 2009). But what if the degree of sacrifice increased rather than decreased the overall value? We value something particularly highly because it is hard to obtain. Typically value is viewed as a trade-off: costs or sacrifices are subtracted from overall benefits (Zeithaml, 1988). An alternate approach, goal directed, means to an end, focuses on the outcome (Gallarza, Gil-Saura, & Holbrook, 2011), thus it is about the goal not the difficulty of the journey to get there. But what if the degree of sacrifice increased rather than decreased the overall value? Recent research has indicated that this could be the case (Scott et al., 2017).

The current paper posits that this translates into changing the conventional value equation. We could possibly value something particularly highly because it is hard to obtain. This would mean the negatives enhance rather than detract from value; sacrifices could add rather than subtract to benefits, in contrast to the conventional trade-off approach to value adjudication. What if a difficult acquisition process provided its own value outcomes and these were positive? The current study posits that pain can have an additive effect to value; it can also lead to a positive value outcome. We explored a credence good, that of the Executive MBA experience, to analyse positive and negative experiences that occurred during acquisition of the MBA in formal peer-to-peer learning syndicates. Making use of the critical incident technique, insights were generated on how peer groups contributed towards the value creation process. The findings indicated that syndicate interactions, while often fraught with difficulty, added value for personal and management but detracted from value when the institution did not provide tools for conflict and group management. Findings included implications for service design.

About the Speaker

Dr. **Kerry Chipp** is a lecturer of marketing at the School of Business, Maynooth University. She received her PhD in Marketing at the KTH Royal Institute of Technology, Stockholm, Sweden. Her research interests lie in consumer behaviour and services marketing, with a special interest in issues around value, empowerment, inequality and building inclusive and sustainable environments. She is interested in understanding consumer value, particularly latent value, value in acquisition, and value in disposal for the circular economy. She has taught at the University of the Witwatersrand, GIBS, the business school of the University of Pretoria and at Luleå tekniska universitet, Sweden. During her time at both Wits and GIBS, she ran a market research consultancy, with clients across the spectrum, from private banking to the public sector. She has been heavily involved in media measurement in South Africa, working with the not-for-profit South African Advertising and Research Foundation (SAARF) and its successor, MRF (Market Research Foundation). She has also worked with the Coca-Cola System in Kenya, Tanzania, Namibia and South Africa.