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BOOK REVIEW

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Gábor REKETYE (2019). **Value Creation 4.0- Marketing Products in the 21st Century**. Transnational Press London, 251 pp, ISBN: 978-1- 912997-21-3.

Value Creation 4.0, Marketing Products in the 21st Century by Gabor Rekettye adopts a practical and visual text-book approach designed to explore key aspects of value creation through 14 chapters, divided into main sections; interpretation and definition of the value concept, the components of value, management and planning and development of value. In this book Gábor Rekettye includes relevant marketing concepts and highlights real life situations and challenges in the cyber age through relevant case studies, which makes it a suitable marketing guide for both HE educators and students. Each chapter is kept short and tables, images and diagrams are used effectively to complement his strong reasoning, pertinent marketing concepts and related discussions.

This book benefits from the vast and varied marketing experience and knowledge of his author, both in business and in academia, as it reflects his prolific research and reading into the issues and opportunities of the digital era. Gábor Rekettye, is a Hungarian Professor Emeritus and an honorary Professor at the University of Szeged. Gabor Rekettye, with over 300 publications to his name in Hungary and abroad including *Value creation 4.0 Marketing products in the 21st Century* and *Pricing - the New Frontier* (with Jonathan Liu). Rekettye offers, in this book, his expertise of over fifty years in business and education and provides an insightful treatment of challenges and openings that the fourth industry can epitomise.

His combination of rich verbal and visual content makes it an appealing, easy to read and attention-grabbing book. Still, a stronger focus on technological and digital advances was expected throughout the book. Its chapters contained solid theoretical, marketing concepts, but could have included more up to date academic references.

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The first two chapters could have been more thought-provoking and challenging. In Chapter 1, the author explores the complex nature of the concept of perceived value in marketing and the different factors that influence it. It raises interesting aspects related to value creation and value perception, but the author could have also highlighted the subjectivity of quality and that interactivity in the 21st Century also includes communication amongst customers. An excellent point was made about the strong relevance of emotions and feelings in marketing.

Chapter 2 provides an overview of product and services classifications and includes the main characteristics of services, according to Lovelock, 1992. The issue here is that this nearly 30 years old classification of services could have been complemented with very recent research and academic sources in order to focus more on digital and social media marketing (4.0).

Chapter 3 is the most complete and insightful chapter of the first section of this book. It advocates an international perspective to value creation and communication and embraces pertinent megatrends and technological advancements such as blockchain and other elements of the SMACT framework, which are becoming instrumental to value creation in the second decade of the 21st Century where automation is becoming paramount in product value creation. The case studies at the end of the chapter consolidate key points made previously and provide effective strategies to add value to products and services.

The second part, found in Chapters 4, 5, 6 and 7, discuss different dimensions of customer value and provide some effective strategies to deliver perceived value to customers. In chapter 4, the author argues that, as obvious as it seems, marketers should be more effective at selling need satisfaction products and services. That could involve a new construction of the marketing levels of products. It makes sense the author's point, that the different levels should work together, and that the customer experience should be enhanced through all contacts (positive touchpoints) between the company and its customers.

Chapter 5 focuses on how quality, one of the most discussed terms in business literature, is so hard to define and evaluate. Judgments about quality and combine psychological, non-physical characteristics such as value, brand image and product aesthetics with the overall impact of the physical aspects of the product. These perceptions of quality evolve, so they need to be monitored and improved accordingly.

Chapter 6 identifies the importance of including product design, such as packaging, in marketing strategy and policy. Examples of companies that make effective use of product design include Swatch and Apple, noting that these brands have managed to communicate messages of innovation and creativity. Additional examples, such as that of Toblerone could have also been presented. Rekettye sustains that design needs to



take into consideration important aspects such as ergonomics and aesthetics and how they can impact on an approach avoidance (not avoidance) continuum" (Bloch, 1995). Form needs to go beyond an attractive exterior and be a "structural characteristic" of the product. This requires technical engineers and industrial designers to work together from the beginning. If the design is to become an additional source of revenue, the form should improve customers' perception of the quality of the product so higher prices may be charged. Costs can also be reduced by combining packaging and labelling in small or too near markets, particularly in Europe. That may explain why some product packaging in countries like Spain and Portugal include both languages, so both markets can be targeted simultaneously, saving logistical and production costs.

Chapter 7 discusses how customer experience (CX) needs to become a strategic priority for businesses at every touchpoint of the customer decision journey. Positive customer experiences may increase brand loyalty and sales. According to research by Bhattacharjee et al. (2016), buyers who enjoy their customer experience are three times more likely to recommend that brand to others and to repurchase it. The research conducted by Court et al. (2009) describes the whole decision process more like a circular and more dynamic and flexible movement, also driven by customer (pull) activity such as interactions in shops. This chapter could have focused more on aspects of 4.0 marketing, such as digital and social media marketing activities such as online blogs, videos, reviews, recommendations, etc.

Chapter 8 is about corporate value creation. It states that brands should start by planning the values of the elements of products and their aggregates, then analyse how the company compares to other competing firms—effective management of the companies' total offer is needed to create integrated product and brand. Especially interesting is the chapter on corporate value creation is the focus on the strategic areas of value creation. This is yet another instance of where Rekettye treat value creation within the context of broader strategic business practices.

Chapter 9 poses the question of what part of the market do businesses want to create value for. Interesting statements about competition were made about the strong brand polarisation that exists in the 21st Century and how brands should avoid being "stuck in the middle". Additionally, examples of brands that polarise their industries, such as Lidl and Aldi, are also included.

Chapter 10 covers some critical elements of value management, such as the strategic extension of product lines, the discussion of product line extension, the modernisation and development of products and product lines.

Ch 11 is about the methodological tools that can be used to position the value. It is not enough to create a value proposition; it must be communicated effectively to the consumers of the target market. This chapter ends with a quite interesting case study on how sustainability can be a value element of higher education and could serve as a springboard for further discussion of how cyber, technological and digital advances can contribute to the development of further sustainable products and services.

In chapter 12, the key argument is that brands need to embrace technology to innovate than ever to satisfy changing customer needs and beat a more intensive competition. The chapter could invite readers to apply more theoretical perspectives to specific cases studies. Some aspects of 4.0 business and marketing could have been developed further. This chapter delves into the variety of motives and objectives for product innovation, showing the reader the diversity of innovation forms and raising the question of what the scope of innovation is. Perhaps, the only surprising omission here is the growing impact on innovation of the specific technological and digital developments such as 3D printing, artificial intelligence (AI), augmented reality (AR), etc.

In chapter 13, the author sustains that product design has become dominant; the marketing mix used during the launching of the product becomes rigid and dominant too. Rekettye could have included more examples of how technology can better products and services long-lasting experiences. The author could have reiterated here the point made in the first chapter about the need for brands to create emotional connections with customers.

Chapter 14 focuses on new product development and, importantly, addresses the main factors that determine the success of new product development – for example, with respect to different sales sectors. Valuable here is that the author proposes a new product development model, which aims at better satisfying customer needs through better technological, production and marketing practices. Brands need to accelerate the introduction of product innovations to the market. A stronger point could have been made about the need for innovation to be part of every brand's agenda.

This book on value creation is underpinned by robust marketing theoretical concepts, but it could have adopted a more critical and original tone throughout it by including even more recent academic sources and more current relevant research. Nevertheless, it offers a critical contextual overview relating to value creation in terms of traditional and more digital-focused marketing practices, more suitable for business in the 21st Century.

