Value-in-Use in highly institutionalized industry: a case of the diamond industry

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ABSTRACT

Value-in-use, or service-dominant logic, is a recent concept of studies. Scholars all agree on its effectiveness in marketing practices and business output. Value in use has often been described and understood from a dyadic relationship. However recent researches stressed the need for a network as well as the perspective of this latter to properly create value. Knowing that practices within a network tend to generalize themselves with the time, this paper focuses on studying the value creation in a dyadic relationship, taking the perspective that institutionalized industries have practices shaping these relationships. In this paper, we will discuss and describe, on one hand, the actual situation of the diamond industry, using the model of Kjellberg and Helgesson and on the other hand, analyze relationships between a diamond wholesaler and four of its customers in terms of value creation and competitive advantage. Based on the findings of the research, we found out that the more an industry is institutionalized, the more constraints tend to appear in developing value-in-use. This research aims to propose a different approach of value-in-use by applying the concept to an institutionalized industry.

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Keywords

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1. INTRODUCTION: THE MOVE FROM GOODS PRODUCTION TO SERVICE PROVIDER TO CUSTOMERS

"*There is an urgent need to increase the value of diamonds in the luxury market. We need to make diamonds fashionable and a trend – and invest in their marketing. The demand for handbags and other accessories for ladies is growing faster than the demand for diamonds because there's no fashion emphasis on wearing diamonds*"

Maksim Shkadov

Value taken as a general term has been discussed for ages now and is a central point of any markets or strategies (Grönroos, 2011). It is a concept not mastered by humans which still raise questions in terms of real meaning and of best way to master practices (Vargo et al., 2008, Vargo & Lush, 2007, Ballantyne & Varey, 2006 and Cova & Salle, 2008).

If you take the term of value in business, it is possible to go far in the past of human history when first commercial exchange started. However, the first known questioning on the real meaning of value has been done by Aristotle (Vargo et al., 2008). Aristotle already reflected on the value of money in exchange of goods in the market and questioned the purpose and meaning of such exchanges (Vargo et al., 2008). Value is discussed since the time of Aristotle and remains a central point of discussion in many researches. Vargo & Lush extensively studied the concept of value and differentiated good-dominant logic (or value in exchange) and service-dominant logic (or value in use) (Vargo & Lush, 2007). The first logic refers to the exchange of a good against money, while the second logic takes relationship as an exchange of services between the supplier and the customer (Vargo et al., 2008; Vargo & Lush, 2007, 2004). However in order to understand the concepts of value and value-in-use, there is a need to look at the concept of dyadic relationships in a business network (Anderson et al, 1994).

To be successful, companies need to understand the customers' value by understanding and taking a value-in-use perspective and focus on the seller-buyer relationship in order to get the highest value in the exchange (Vargo & Lush, 2004). Value-in-use is simply explained as the problems solved by a product when customers buy it. It consists of fulfilling customers need by proposing a corresponding product (Kotler, 1964). Value-in-use can be derived from the use of a product or service but also by the certain image of a product from which customers derive value. Vargo et al. (2008) mentioned the automotive industry to illustrate the value-in-use as customer gives connotations to certain car brands. It has been of great interest these last year in order to fulfil customer's demand and in order to develop new successful product answering possible needs (Ballantyne & Varey, 2006).

Nowadays, authors criticize that companies tend more to propose new technologies, cheap products or features to customers instead of understanding the real value in use, customers create by using it (Kotler, 1964; Grönroos, 2011; Vargo & Lush, 2007). Value-in-use is created in a dyadic relationship between two actors of a network. Value-in-use is the basic of a market and with no value-in-use, competition wouldn't exist. Even if the concept of value-in-use has often been linked to the purchasing or sales functions, there is an increasing focus on how marketing can understand the dyadic relationships, the network and the customers in order to propose to this latter a product that brings the most values in using it, not only in terms of money but also in terms of delivery speed or defect rate for example (Grönroos, 2011; Vargo & Lush, 2004, 2007; Gummesson, 1994).

Until this point, scholars, interested in the concept of value-in-use, mainly focused on a dyadic relationship between a supplier and a customer. However, it is necessary to look at industry from a network perspective. Even if the relations supplier and customer will be of dyadic nature, the network gives all the sense to the concept of value-in-use due to the comparison with other players of the network like suppliers' supplier or customers' customer (Anderson et al., 1994).Taking a network perspective as a background to create value-in-use is a necessary understanding to understand the creation of competitive advantage. As mentioned earlier, the concept of market and network will be of great importance in the value-in-use perspective. In order to increase the performativity of a market and the understanding of customers, dyadic relationships will be "part of the game" and play an essential role in the concept of value creation, while a proper understanding of the network will be essential in the understanding of value-in-use (Anderson et al., 1994; Håkansso & Snehota, 1995).

On the other hand, there is a generalization in institutionalization of the different practices with the time. Nowadays, goals of companies is to reward the investment of external parties by making profits and in order to achieve such goals, companies tend to grow internationally to reach bigger market shares. With such international expansion, companies often apply a generalized line of conduct or apply best practices theory (Porter, 1998). Porter (1998) also developed the idea of cluster and mutual collaboration in a close environmental area. Such cluster showed the tendency to level out practices within the same industry. Moreover, Meyer & Royan (1977), accentuate the tendency for industries to generalize practices due to increase in market complexity or instability. Finally, the time will also have influence on the practices. Companies within the same industry will tend to apply the same practices as the successful competitors in order to follow a general move of success and remain competitive. This evolution of practices is available for marketing as well as purchasing, innovative or even sales practices.

Therefore, knowing that value in use is understood from a dyadic relationship and that value should be created from a network perspective and that practices tends to generalize themselves with the time, this paper will focus on studying the value creation in a dyadic relationship, taking the perspective that institutionalized industry have practices shaping these relationships.

In order to properly study the value-in-use concept, this paper will take as example for an institutionalized industry, the diamond industry which relies on several generalized regulations and unwritten rules. The diamond industry is also one of the very old industries in nowadays world economy.

The diamond industry brought attention to the public respectively in good and bad images. Diamonds reflect luxury, forever love and wealth but for some people diamonds reflect simple stones, blood diamonds, rebels, children work and exploitation of human beings. The diamond industry is a long standing industry and went through several economic circles with downturns and upswings. Except for the image developed in the eyes of the end users, the diamond industry also attracted attention and interest due to its particularities in terms of legal system (Bernstein, 1992) or its supply chain (Jaworski et al., 2000). The diamond industry is full of rules where most of insiders would follow these rules in order to keep trust and faith between actors. Each player of the diamond industry plays a fair role and stays in their duties that are linked to them. Finally, the diamond industry is a really old industry which saw its practices being tested again and again in order for actual companies to apply more or less generalized successful practices. For these reasons, this paper will use the diamond industry as an illustrative example of an institutionalized industry, in which nonetheless value-in-use is created and to some extend competitive advantage can be gained.

This paper will describe the marketing practices within a whole of the diamond industry network using the model of Kjellberg & Helgesson (2007), which aims describing the industry based on three perspectives: the normalizing practices, the representational practices and the exchange practices. This model will be developed later in this paper. Moreover, it will serve the paper as a conducting line through the research since it will serve as a mean to describe, in this case, the diamond industry and so understand how value is created in a dyadic relationship taking the restrictions in marketing practices from the industry.

This paper will make contribution in different aspects. First, we can argue that the more the marketing practices are institutionalized in an industry, the more complicated it will be for companies to create value in use. This results from the fact that taking any industries, the marketing practices will shape the possibilities for companies to create value in use. Second, this paper will describe four dyadic relationships a diamond wholesaler has in order to back up and illustrate the value in use creation within relationships parts of a big institutionalized network. Third and finally, we will argue on the particularities and caution, highly institutionalized industry should be treated and the barriers for new entrants to take part in the value creation process of a highly institutionalized industry.

2. RESEARCH QUESTION

Now that the actual situation has been described and is clear, it is important to center on this paper.

In this paper, the author will focus on not investigating if value-in-use would exist in an institutionalized industry but study under which forms value-in-use exists in such industry knowing that long history of the diamond industry brought models and well-known practices. Previous explanations and research explained the existence of value-in-use in any network in order for the market to exist. This paper aims to answer the following main question: *How is value created in dyadic business relationships in an industry that is highly institutionalized in terms of marketing?*

This paper is structured as follows. Until now, the actual situation and the problematic have been explained and the principal up-to-date researches have been mentioned and explained. In the next sections, this paper will focus in bringing more knowledge in the principal concept of this research, namely value creation, value in use, the model of Kjellberg & Helgesson (2007) and the dyadic relationships description of Grönroos (2011). Following some insights, the model of Kjellberg & Helgesson (2007) will be used to describe the selected institutionalized industry, the diamond industry, based on the three practices mentioned earlier. Then, the relationships of the diamond wholesaler with four of its customers will be described to illustrate the value in use creation. Finally, having described the types of relationship will serve this paper in analyzing the relationships and so sketching an answer to the research question of this paper.

3. THEORY PERSPECTIVE

3.1 Value creation, the base to every economy and a long history of research

As mentioned earlier, value creation is the goal for each industry in the actual worldwide economy (Vargo et al., 2008). It is well-known that the most mission of businesses is to reward investments from shareholders. In order to do so, companies create value. Value can be seen under different angles, the main value given to a product is through the transformation process of the company. Taking raw material or spare parts, a company will assemble them in order to produce goods that can be sold afterwards. Another value can be the one seen under the money angle, basically the price given to any goods. Finally, value can take many aspects like feelings, preferences, brand, etc. The central point of value creation is to understand the necessity for companies to create value in order to compete with similar industries and to make return on investment. Michael Porter is one of the most known researchers who developed on the concept of value creation within an industry and a company particularly. In 1985, Michael E. Porter published his book on the creation of competitive advantage, where he mentions for the first time, his well-known arrows value chain model. This model serves as the basis for the understanding of value creation within a company (Porter, 1985).

3.2 Value in Use: the service dominant logic

Value in use is a recent concept of study and requires lot of attention nowadays. Every actors of the network understands the value of understanding the customer and not just proposing random products to this latter but also brainstorming on proposing a product which solves problems encountered by the customers. Different authors agreed to base their definition of value in use in the same terms, knowing "*customer's outcome, purpose or objective that is achieved through service*" (Macdonald et al., 2011: 671; Vargo and Lush, 2004, 2008a; Vargo et al., 2007; Woodruff, 1997). This paper will go with the same definition in order to have a common start. Vargo & Lush (2007) developed on two logics on how to treat the transfer from goods to services. From their point of view, there is a "good-dominant logic" and a "service-dominant logic". First the good-dominant logic (G-D logic) refers to the way of thinking centered on the product, taking as the main point the output level of a company either in terms of goods or services (Vargo & Lush, 2007; 2004). Second, the "service-dominant logic" (S-D logic) refers how well an individual will use its knowledge or skills in the profit of another party (Ballantyne & Varey, 2006; Vargo & Lush, 2007; 2004). The main difference lies on the concept of service in each logic. In the G-D logic, services are part of the output level and are economically valued, while in the S-D logic, service is more taken as an exchange tool between two parties and as a continual process of exchange. The S-D logic refers to the main point of this research, the value in use concept.

In order to understand the value creation and to apply the concept of value in use, it is important to have a look at both parties taking part in the value creation process. Grönroos (2011) developed on the relationships of supplier and buyer and tried to study the influence of each side in the business process (c.f. figure 1).

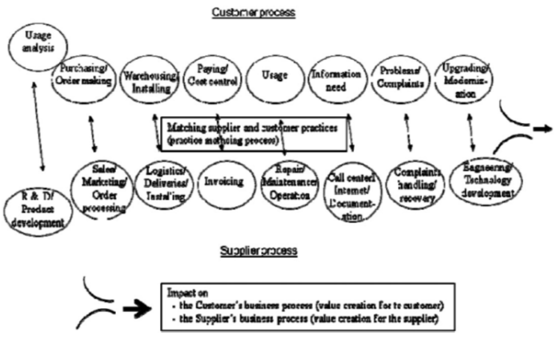

Figure 1: customer and supplier process and their impact on business process (Grönroos, 2011)

The main argument is that the value creation in value in use process is multi-dimensional, meaning that it would take places in all different level of the relationship between the supplier and the customer and that purchasing or marketing are enablers of services better understanding and service provider (Grönroos, 2011; Ballantyne & Varey, 2006; Vargo & Lush, 2007; 2004; Vargo et al., 2008; Macdonald et al., 2011; Cova & Sale, 2008).

In terms of purpose of transfer for companies from a G-D logic to a S-D logic, authors mentioned the competitive advantages of using a S-D logic in order to provide better services and better understand the customer (Woodruff, 1997; Gummesson, 1994). Even if the usefulness of value in use has often been explained, companies tend to still focus on developing and proposing new technologies, products and features instead of solving the problem in the use of the product (Kottler, 1964).

3.3 The nature of the market (Kjellberg & Helgesson, 2007)

In their article, Kjellberg & Helgesson (2007) develop a model in order to explain the real fundamental of a market or industry. Their study explains how a market is shape, how it is created and how the market is made; they used researches on the performativity of markets based on the shaping of markets in economy and argue that marketing practices also contribute in the performativity of a market. In order to properly illustrate their point, they developed a model (c.f. figure 2) which takes in consideration the main practices of a market: normalizing practices, representational practices and exchange practices. First normalizing practices aims to explain activities that develop rules and regulations on how the market should be shaped (Kjellberg & Helgensson, 2007). Authors argue that efforts are always made in order to influence the market orientation, it might work or not. Different activities are grouped under this practice, like effort in reforming a market or put standards in place but also, like already mentioned, create rules in marketing, supply or competition for example. Second, representational practices focus on the activities which represents a market or how a market works by using images (Kjellberg & Helgesson, 2007). Like the authors mention the concept of market is really abstract and activities are needed to develop an image of this latter as well as to give sense to the relationships between individuals in the exchange of goods. This practice of the basics of representation of the performativity since the concrete image to the market will serve industries to take the proper decisions. Activities under this practice can be of different nature like evaluating, based on data, relationships between actors of the market (supplier-customer) or using the representation as base for strategy development (Kjellberg & Helgensson, 2007). Third, exchange practices aims to describe, what forms the market and the multitude of exchanges within the market. It is all the concrete activities in a market, going from negotiating prices or delivery terms to advertising, supply of products or comparison within same products (Kjellberg & Helgensson, 2007). The authors describe this practice as all activities that allow temporarily stabilization of terms in order for economic exchange to exist between two actors.

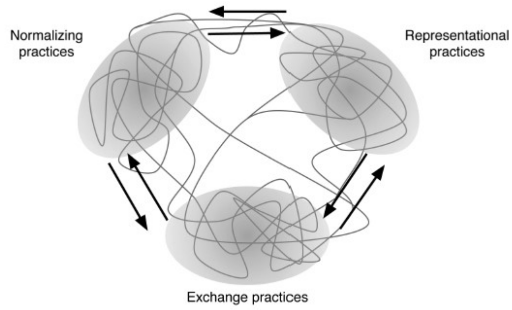

Figure 2: On the nature of the markets, possible links between practices (Kjellberg & Helgesson, 2007)

Based on the above description and on the model (figure 2), Kjellberg & Helgesson (2007) argue that each practices will be influenced by the others. There are exchanges of influence like figure 2 shows with the arrows. Taking for example the exchange practices, the model argues that norms and representations will have an influence of the exchange practices. It is simply explained by the fact that, as stated earlier, on one side rules and regulations will influence how exchanges take place in a market by being the source for tools in exchange practices and, on the other side, the idealized image of the market will have an influence on the actors of the exchange practices. Kjellberg & Helgensson (2007) noted that, concerning the influence of norms on exchange, even if regulations have a preponderant influence on exchange, there are also like voluntary standards (e.g. eco-label) which have an influence. Concerning the normalizing practices being influenced by the exchange and the representational practices, evidences of how representations or images of a market influence the norms have been proven in researches (e.g. natural monopoly situation in US telecom market) (Kjellberg & Helgesson, 2007). On the other hand, exchanges between actors will also have an influence on the norms of a market. Kjellberg & Helgensson (2007) highlighted the need for normalizing practices to be taken as an entire part of the model and not only as an influencer not being influenced. Finally, the authors focus on the last practices, namely representational, and research the influence of exchanges and norms on this latter. As Kjellberg & Helgensson (2007) pointed out, it would be difficult to elaborate on a market image without having the exchanges in place. Exchanges in a market are the base to the image development and on the other hand, norms, tools or procedures are also part of the representation of a market since they will shape the image (Kjellberg & Helgensson, 2007).

Figure 3 shows all the links between the practices of the market and illustrate what is explained above.

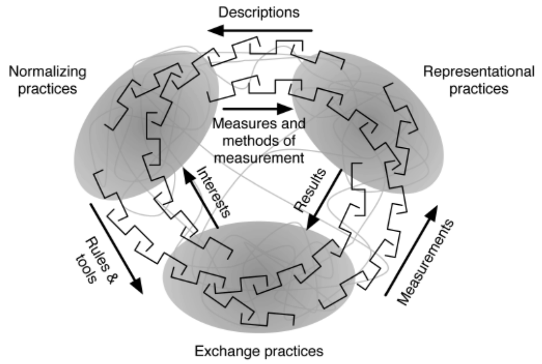

Figure 3: On the nature of the markets, links exisiting between practices (Kjellberg & Helgensson, 2007)

As we can see, all the practices of the model rely on each other in order to describe a market. This model is of great importance in the description of an industry since it allows evaluating the performativity of markets taking marketing perspective into account in the effort of a market to perform instead of only focusing on economical points, purchasing and sales or innovative efforts.

3.4 Network formation as a background to understand the dyadic relationship

We mentioned several times the concept of network in the introduction and in the problem statement of this paper. The network and its influence brought interest lately when researchers stopped observing relationships in a dyadic form but in a network form (Anderson et al., 1994; Håkansson & Snehota, 1995; Ritter & Gemünden 2003). Previous to the concept of networks, researchers were more interested in studying business relationship from a dyadic perspective (Anderson & Naru, 1990; Dwyer et al., 1987). More recent researches showed the importance the network requires and the value it brings to the market. Recent studies also showed that in order to beneficiate from the whole network and for the network to have a positive impact on the business, a full understanding of the network and of the relationships between the actors is required (Anderson et al. 1994). Anderson et al. (1994) illustrates the importance of the network by modeling the relationships between actors (cf. figure 4). Common conclusion shows that even if dyadic relationships are of great importance, the network perspective will give all its sense to the dyadic relationship (Anderson et al., 1994; Ritter & Gemünden, 2003; Snow et al., 1992).

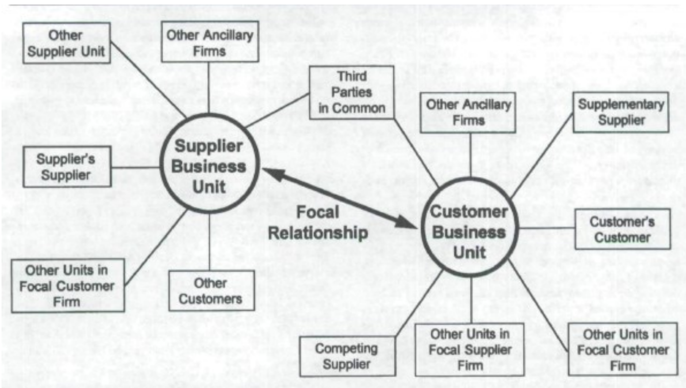

Figure 4: network formation in a dyadic relationship (Anderson et al., 1994)

3.5 Formalization and institutional stickiness, a matter of time or of best practice

Highly institutionalized field is defined industries which will use practices or activities considered as norms (Meyer & Rowan, 1977). Researches showed that the stickiness of the market tend to be influenced by two factors, first how old the industry is and second the tendency to apply the best practices theory (Szulanski, 1996; Boettke et al., 1995; Meyer & Rowan, 1977). The concept of formalization of an industry hasn't been extensively studied, however in this paper, we argue that the time will have an influence on the formalization of an industry. The matter of time on the formalization of an industry has already been researched and there are some proofs that the more old the industry, the more it tends to be formalized (Szulanski, 1996; Boettke et al., 1995). Concerning the influence of best practices theory, Szulanski (1996) explains the tendency for companies to apply methods that have shown success and so become normalized practices in an industry.

In the next section, we will describe the diamond industry based on the model of Kjellberg & Helgensson (2007) in order to highlight the facts making this industry formalized with prevailing dominant practices that shape the opportunities for its inhabitants.

4. THE VALUE CREATION AND VALUE IN USE IN THE DIAMOND INDUSTRY

In order to remain focus on the central research question of this paper, the following sections will be divided into two distinctive stages. Firstly, a general description of the practices in the diamond industry will be used in order to explain and motivate the concept of network in the diamond industry. Secondly, four dyadic relationships between a wholesaler of diamonds and four of its customers will be studied and described in details taking into account to focus on the value in use concept and explain the influence of the surrounding network of the diamond industry.

4.1 Data Collection

To illustrate the research of this thesis, different data collection methods were used. Firstly, interviews were made with the diamond wholesaler employees and manager, center of the network study in this thesis. Then interviews were also made with four customers of the wholesaler in order to have the two sides of the relationships. These interviews allow this thesis to illustrate as good as possible the value created in the dyadic relationships. Unfortunately, the four companies wanted to remain anonymous, usual desire in the diamond industry. Interviews aimed different topics like the supply chain in the diamond industry, selling methods, advertisement and products exposition, the acceptance and understanding of value-in-use concept and on the relationships between actors of the diamond industry

Secondly, specialized diamond magazines, namely the Rapaport or Golbor, were used to get an overview of the industry from the industry itself. These magazines are essentially diffused and distributed within the diamond network and access to online articles is reserved to the diamond companies and professionals.

Thirdly, some marketing campaigns of the main companies in the diamond industry (e.g. De Beers) were analyzed in order to underline a tendency in the method of advertisements.

Finally, this paper based its research on the already published articles on the concepts of value in use, of network formation, of industry description based on marketing practices, on diamond industry practices and on value creation.

The table below (see table 1) is summarizing the types and the number of sources used in order for the reader to have a proper understanding of the coming information's origin.

Table 1: Types and quantity of sources

		Number of sources, in terms of quantitative level
Types of sources	Interviews	5 interviews have been performed. The interviewees were the wholesaler and 4 of its customers (2 jewelry shops, 1 portfolio manager for diamond investment and 1 diamond setter)
	Magazines	The magazine "Rapaport" was a strong source for this paper. The author of this paper also used a locally known in Switzerland's magazine "Golbor" which also elaborates on the diamond industry but in Switzerland mainly.
	Observation	Since the year 2011, the author is observing practices and regulations in the diamond business for short period per years by working in the company of the wholesaler.
	Internship	3 internships were performed in the diamond industry in different parts of the world (India, Belgium), which allowed knowledge from different background
	Scientific Articles	Even if the scientific literature is non-extensive, it also served as a strong source for this paper. Approximately 10-15 articles were used to describe the diamond industry

4.2 The diamond industry

As mentioned earlier, this section will describe the diamond industry using the model of Kjellberg & Helgensson (2011) in order to describe the formalized industry of the diamond market in proper terms and following the way of thinking of this paper.

4.2.1 Exchange practices

The diamond industry refers to a luxury good which is of high value, the diamond. Due to its high value, exchanges practices in this industry will require high standards in order to meet either the demand or supply with the market. Like in any other industry, the diamond industry implies many exchanges practices. In this paper we will focus in the description of the main practices in order to remain concise and focused on the central point of the research. In the following sections, we will describe the most remarkable activities of the diamond industry. The author of this paper would like to mention that the following described practices of the industry are made on the basis of observations and literature of relations between professionals and that the diamond business made with the final customer (jewelry shops – final customer) is different than what is mentioned in the following sections.

4.2.1.1 The supply chain and the diamond market

The structure of the industry follows a similar scheme as industry of natural raw material like petrol or gold. In the diamond industry, there are main companies working and responsible as extractors of the rough diamonds in Africa, Russia, South America or India. There are generally spoken three companies mentioned as diamond mining company: Rio Tinto, Alrosa and the group Anglo-American/De Beers (Chong, 2012). Following these main extractors companies, there is a system so called of sight holders which are companies meeting harsh requirements and that are able to see and buy lots of rough diamonds. There are around 75 and 85 sight holders depending from the year (Van Wyk, 2010). These sight holders literally buy huge lots of rough diamonds serving at supplying the whole under market of middle men. Sight holders will have two roles following the sale from important extractors; first they can sell the rough diamonds as bought to polishing factories, specialized buyer in rough diamonds. Second, they can cut and polish it themselves in their factory or ask to cutting factory to do it for them in order then to sell it as cut diamonds to the market. When launched in the market as polished and cut diamonds, this latter will go through the hands of wholesaler who will either sell it to other wholesalers or sell it directly to jewelry shops, diamond setters or for investment as single stones. It can also sometimes happen that wholesaler sells diamonds to the final customers. This structure is a straightforward path of the diamond and represents the majority of the supply chain, however differences can occur. It is also a well establish supply chain, where everybody knows what its duties. This particularity will be developed in the normalization practices of the diamond industry.

The diamond market can be seen in terms of market-driven or market-driving perspectives. The diamond market is clearly market-driving since main companies within the market created the desire for the end customers to buy diamonds. Like Jaworski et al. (2000) or Kumar et al. (2000) mentioned on the market-driving option, such market needs to focus on creating a unique value in order for customers to remain with the market and not realize the possible manipulation or demand creation techniques of companies within the market. This perspective will be essential in understanding the advertising practices of the diamond industry.

4.2.1.2 Value creation in the diamond industry

If we look closely at what diamond is, what would we see? Basically, we would observe that a diamond is formed of exactly what a stone is formed of. So, the relevant question and the information we should bring in this paper is to explain how a formation of carbon, one of the most present element on earth took so much value in a market. In order to explain this, we will have to go in the past of the diamond industry. The value of diamonds is closely related to the history of the company De Beers (Spar, 2006). Our story begins in 1867, when diamonds are discovered in South Africa and that a diamond rush is launched between minors (Spar, 2006; Hahn 1956). As many scholars described it, the diamond business really caught attention when different miners were bought by Mr. Rhodes and created the De Beers Mining Company (Spar, 2006). Following the creation of the company, the founder quickly realized that there were two problems linked to the abundance of diamonds and to the will for buyers to only buy good gems (Spar, 2006; Levenstein & Suslow, 2006; Hahn, 1956). In order to solve these problems, Mr. Rhodes decided to develop the concept of cartel with its company regulating the market of the supply to first keep the prices high and second make sure that all extracted diamonds would be sold (Spar, 2006, 2000; Levenstein & Suslow, 2006; Andrews, 2006). After the death of Rhodes in 1902, Oppenheimer took the company over and decided to increase its control on the market by controlling the channel of distribution and production (Spar, 2006; Andrews, 2006; Hahn, 1956). In the 30's, the concept of sight holders appeared and in the beginning it was ten meeting per years for a few dealers in order for these latter to buy fixed amount lots (Spar, 2006). This system is still in place nowadays but on a larger scale which allows De Beers to control the production and so the prices of the diamond industry. Following the control of the production or supply, De Beers soon realized the need to also manage the demand in order to keep prices high and maintain the scarcity system. In 1948, De Beers started its famous campaign "A diamond is forever", which was linked to the notion of forever love in order to create the demand from end customers for jewelry and so for diamonds (Andrews, 2006). There were also some tricks in order for the diamond to become a shelter value with big investors suddenly buying a lot of diamonds to protect their money from the inflation and deflation of the market (Spar, 2006). Both techniques worked perfectly since the marketing campaign "a diamond is forever" has been awarded by several marketing expert as the slogan of the century and the second techniques provoked investors to use diamond like gold in order to protect investment money (Spar, 2006; Andrews, 2006). All the above described methods to give value to the diamond had a great effect and still have an important effect on today business. It also explains how a common stone, like diamond, could have taken so much value.

4.2.1.3 Price negotiations and particularities

The diamond industry has to go with some general practices. One of them is to follow a price list published by Martin Rapaport, an important jeweler of New-York. Every Thursday, the list is updated if necessary and sent to every professional in the diamond industry. This price list plays the role of landmark since the professionals are free to move the prices of the diamond based on the Rapaport price list. In order to illustrate this, it is common in the diamond industry to mention that a diamond is "minus 15" for example. This means that the price of the diamond will be 15% under the price of the official list. In practice, it is really rare for a diamond to be exactly the price of the list; prices will still remain linked to the supply and the demand but only to a certain close extent.

Contrary to most of the goods, prices in the diamond industry are expressed per carats, which is the weight of the diamond. It is common to mention that a diamond will be, for example, two-thousand dollars per carats. We can make a comparison of such practices with, for example, the method of when you buy meat and that the price is forty euros per kilograms.

As already stated, the diamond industry bases its business on a luxury raw material which has a high value. Since not all the diamonds have the same price, it is important to describe how the price of a diamond is made. Until recently, there were no common languages in assessing a diamond between the professionals which caused some trouble in negotiations. However, in the middle of the 20's century, the gemological institute of America developed the rule of the 4 C's which allowed creating a universal way of evaluating gems (http://gia4cs.gia.edu/). The 4C's refers to the Color, the Clarity, the Cut and the Carat weight. The color of the diamond is based on the view of the diamond under a polar white light which allows the specialist to evaluate the color. Diamonds colors ranking goes from D (colorless) to Z (light colored), following the alphabetic order (http://gia4cs.gia.edu/). The Clarity stands for the level of inclusion visible in the diamond. In order to assess the clarity, a specialist will use a ten times magnification loupe to check the stone and note every minor or major problem in the stone. The scale for clarity is specialized to the diamond industry and would be better explain using a model, it goes from FL (flawless) to I3 (obvious inclusions) (cf figure 5) (http://gia4cs.gia.edu/).

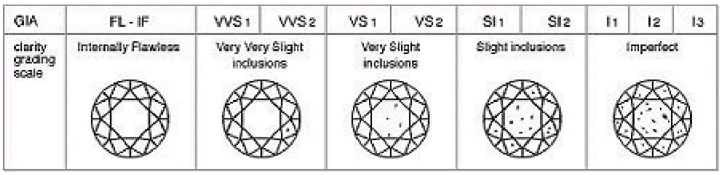

Figure 5: Diamond clarity scale (http://www.canadadiamonds.com)

The cut refers, in the diamonds industry, to the quality of the diamond shape. A diamond under its standard forms, the brilliant, requires proportions between its different parts in order to properly reflect the light. The better the shape, the better a diamond will sparkle. The scale goes from Excellent to Poor (http://gia4cs.gia.edu/). Finally, the carat weight simply refers to the, as its name says, weight of the diamond in carats. One carat is approximately equal to 0.2 grams. These four C's are the base to the price negotiations of the diamonds. Based on these four C's and on the price list, each professional of the diamond industry is able to evaluate the true price of a diamond.

Additionally to the price fixation based on the above parameters and on the price list, there are a few additional possible discounts like the blind buying discount, consisting of buying a stone without seeing it for example.

4.2.1.4 Delivery and sales

The author found important to mention the practices of delivery in the diamond industry which is singular to the diamond industry. When a wholesaler, jewelry shop or a diamond setter is looking for a single stone diamond, it is frequent that the supplier will propose a selection panel of stones in order for the customer to choose. It is for this reason, that the fact of lending stones for a period of time is common in the diamond industry. Taking the example of the studied wholesaler in this paper, it is often the case that a customer has its demand and that the wholesaler will propose and deliver several stones to customer in order for him to see the gems and to make a choice. The proposed panel of stones often remains a few days with the customer and when the choice is made the not selected stone come back to the wholesaler while the selected stone is charged. Such selling methods require trust from both parts of the transaction, which lets this paper introduce one of the main concepts of the diamond industry, trust and faith.

4.2.1.5 Trust and faith

Diamond industry's first characteristic is the trust developed between actors of the value chain. When speaking about diamonds, we speak about high value product which requires right decisions at each level of transactions.. Diamonds are valuable products and a seller can easily cheat on two aspects quality and price (Rapaport, June 2012). Between professionals, expertise will allow to reduce the risk of cheating. However, with the final consumers it would be easier to cheat due to the ignorance of the person in front of the seller. Trust is the key to successful business due to the amount of money in the transaction, to the value of the products, to certain country regulations and to healthy relationships between parties of the value chain.

As described by Williamson (1993), trust is an elusive concept which has several meanings, however, most of the scholars agreed to link trust and risk since it is believed that trust will have a role and defined when our own risk depends of another actor's actions. In the diamond industry the concept of trust will be effectively linked to risk allowance within business.

Trust is not only required with the final customers but also between professionals due to certain practices like the one described in the "delivery and sales" one with the lending lots or the one described in the "price negotiations and particularities" with the activity of buying blind and so rely on the description and the eye of the supplier. One more particularities goes with the India market, since stones coming from India cannot be sent back to India due to high import taxes on this product. So, when the wholesaler of this paper buys diamonds from India, he has to trust the supplier from India since the purchased gems are difficulty sent back to India.

4.2.1.6 Advertisement

In order to have a proper overview of the exchange practices in the diamond industry, it was essential to look at the advertisement practices of this latter. As stated in the beginning of this section, the fact that the diamond industry is market-driving will have its importance and explain to some extent the advertisement campaign of the diamond industry. The De Beers marketing campaigns will be the most relevant in illustrating the practices of the industry. In 1948, when De Beers started its campaign of "a diamond is forever", the concept of driving market and manipulating the demand were understood by the company (Andrews, 2006; Spar, 2006). It was the goal of De Beers to create the demand in order for the diamonds to become a scarce good and so for the price to go up (Andrews, 2006). These marketing campaigns worked perfectly since nowadays and back then diamonds are representing the forever love, luxury and a nice gift for a woman. Nowadays and following the scandal of the blood or conflicts diamonds, explained later, the advertisement slightly changed. Due to the high success of the De Beers campaigns between the 50's and the 90's, diamonds already took the connotations of luxury and forever love. For this reason, the nowadays campaign are more directed towards professionals and between professionals instead of largely published to the large public. Nowadays, the end customer knows exactly where to go to buy diamonds and most of the brides will enjoy receiving a diamond on a ring for engagement or marriage anniversary.

A proper example of nowadays advertisement is the advertisement in the professional magazine "Rapaport". In this magazine, we can observe advertisements with more details and specificities on the proposed products instead of just showing off (Kravitz, 2012; Serdyukova, 2012).

4.2.2 Representational practices

The diamond market has several images and these images serve to the actors of the industry to take decision of for new entrants to decide how the competition is and what the future perspectives are. One of the most important images is the data of the diamond market in terms of money turnover. In 2011, the diamond industry extracted for 15 billion (US$), which was transformed while entering the so-called diamond pipeline. The diamond pipeline is the value chain from the sight holders till the end customers. In retailing, the 15 billion became 24 billion and then based on the retailing the jewelry shop transformed the 24 billion in 71 billion (http://www.bain.com). These results show that the diamond industry has an important turnover of money and the actual future perspectives of the diamond industry are good.

The second image that surely influence exchange practices and norms are the secrete factor of this industry. The secrete factor has two roles, first to a local level it serves as security since it allows the society not to be interested in the value of any diamond business too much (related to burglars or kidnapping), the studied wholesaler is really careful with security and use the concept of secret at its full efficiency. Secondly, the concept of secret industry was strongly developed following the scandal of blood diamonds which strongly affected the diamond industry. The diamond industry answered to the conflict diamonds crisis by closing all information gates to the general public in order to preserve the diamond economy.

Finally, there are two views of the diamond industry. The first view is how the professionals see the industry itself and interpret it while the second view is how the society and the end customers see the diamond industry. In terms of how professionals sees the industry, the "Rapaport" magazine is a proper example of tool used in overviewing what is going in the industry between professionals. The "Rapaport" magazine publishes monthly researches and market study based on the continent or the diamond market. Moreover, there is an online platform accessible by the professionals to find tools to help analyzing the diamond market or studies of the diamond market and its future perspective. In terms of public view of the diamond industry, we have two schools of thoughts. On one side, there is the society looking at the diamond industry in term of luxury, beautiful and expensive products representing the forever love or the wealth of a person. On the other side, there is the society looking at the diamond industry in term of conflicts or blood diamonds, children work, non-value of a diamond, ecological problems or bad working environments in diamonds mines. These two views will clearly play a role in the exchange practices and the normalization practices since they will shape and base the actual and future exchange practices or norms of the diamond industry.

4.2.3 Normalizing practices

The diamond industry has two types of rules or regulations. There are the official rules like the Kimberley process developed by the United Nations or the price list to base business on. The second type concerns the unwritten, but known and most of the time applied rules.

One of the central regulations, of the diamond industry is the co-creation between ONGs, United Nations and the principal diamond companies of the Kimberley process between 2001 and 2003. In the late 90's, different wars emerged between governments and rebels in the African regions (Haufler, 2010; Wright, 2007). The rebels did massacres on the local population and by the same time took the control and owned the diamond mines. The diamond industry was doing business with the rebels by exchanging diamonds owned by the rebels against weapons or money in order to fight the governments. Global Witness was one of the central ONGs which brought attention on the bad role of the diamond industry in supporting rebels and the society through the world was revolted against such practices. In order to solve the problems, the diamond industry proposed to negotiate certification process of the diamonds in order to remove blood or conflicts diamonds of the diamond pipeline. The negotiations between, the diamond industry, Global Witness and the U.N. took 2 years and it resulted on the Kimberley process certification scheme (Haufler, 2010; Wright, 2007, Grant & Taylor, 2004). The Kimberley process states its activities as follow: *"The Kimberley Process (KP) is a joint governments, industry and civil society initiative to stem the flow of conflict diamonds – rough diamonds used by rebel movements to finance wars against legitimate governments."* (http://www.kimberleyprocess.com/). The Kimberley process resulted in the certification of the stones with some types of ID always following the solitaire (Wright, 2007, Grant & Taylor, 2004). Different entities like the Gemological Institute of America mastered their activities in certification. This Kimberley process is a regulation that all professionals in the diamond industry are deeply advised to follow in order to avoid problems with their respective governments. It is also a requirement to transfer diamonds internationally.

Secondly, as already stated in the first part of this section, the prices list is a regulation to follow since everybody base its price on this list. It serves as the baseline of price negotiations in the diamond industry.

On the other hand, there are unwritten rules that are mainly followed by professionals in order to keep good relationships with every actors of the industry. Firstly, it is advised not to overlap on the activities of your customers. In the case of the studied wholesaler, its customers wouldn't appreciate if it would start doing jewelry. A supply chain exists, everybody has its place in the supply chain but it would damage for a company if it starts to overview all activities. There are a few examples of bankrupted companies in Geneva which tried to do different activities at a time but failed and to do so and lost the faith all ex-partners. Secondly, a practice which is not seen from a good eye is to go in every suppliers of the local market place and start to negotiate with all of them a percentage on the price in order to have the cheapest competing price. Such practices are often discussed between wholesaler and companies doing so are often rejected of the market. Watchmakers are specialized and negotiation of prices speaking about a few hundred of euros. It is believed that professionals do business of a luxury good which require a certain price in order to get quality. Finally, the concept of trust comes back in the unwritten rules. When doing business, it is rare to have signed contracts and each party requires faith in other parties. Customers like diamond setter or jewelry shops count on the merchandise of the supplier and the wholesaler count on the fact that the customer would pay the bill. This point is a central aspect of the unwritten rules.

4.3 Interrelations between the three practices

In order to remain in the way of thinking from Kjellberg & Helgensson (2011), we would like to explain how each practice will influence the other based on our example of the diamond industry and the practices described above.

In our case, the exchange practices will be influenced by the norms or regulation regarding what is allowed or not in a legal term and what is accepted or tolerated in term of business practices. The example of the Kimberley process, used as a regulation to avoid blood or conflicts diamonds to flow through the pipeline of the diamond industry and to prevent professionals to make business with conflicts or blood diamonds is properly illustrating the link between normalization practices and exchange practices. On the other hand, the representational practices will influence how business will be done in the diamond market. A proper example is the image of scarcity developed by the principal companies to maintain prices high is shaping the way business is done since professionals need to take the diamonds as a rare material. Moreover, the bad image of the diamond industry that is made through movies for example force the professionals not to show off or provide too much information on the business even if it is clean. The Hollywood production "Blood Diamond" is illustrating the diamond industry like "James Bond" will illustrate the work of a spy agent. Finally, the representational practices like analysis in the Rapaport will provide information to the professionals in order to know how the market is going and what the future forecasts for the market are.

Secondly, the normalization practices will be influenced in our example by the representational practices in a way that the type of monopoly elaborated by the principals companies like De Beers or Rio Tinto will not be changed and companies will barely try to overlap on De Beers' business for example. The supply chain is well accepted by every actor and companies that tried to do De Beers alike business didn't find customers. The cartel has always been and so will remain (Andrews, 2006). It is for this reason that De Beers is still nowadays a major supplier of rough diamonds in the world. On the other hand, the exchanges practices are what make the normalization practices. So the fact that professionals follow Kimberley process regulation by creating diamond certificates and tracking the origin of the diamonds explain the influence of exchanges practices on the normalization practices.

Finally, concerning the representational practices, exchange practices are the source to the representational since this latter will measure the exchanges between actors. The example of a company with money or the fact that advertisement created the desire and the aspect of luxury are typical example of interrelations between exchange practices and representational practices. On the other hand, the normalization practices furnish the tools to measure the market by defining what marketing is and how marketing should be done.

As explained by Kjellberg and Helgensson (2011), all the practices are interacting together and only work when they are together. Each practice has the role of influencer and the role of influenced one.

4.4 The business dyadic relationships

Following the description of the whole industry, market, we decided to focus on business dyadic relationship within this network. We describe in this section four business dyadic relationships between the studied wholesaler and four of its customer within the diamond industry.

The business dyadic relationships of the wholesaler with four customers have been observed and, like stated earlier, interviews have been made with the four customers. Descriptions of the relationships will explain from each point of view, for each relation where the value is created and what makes each other work together and not with the competition. Thus we will focus in the value in use creation from a dyadic business relationship perspective.

The four customers can be classified by their main activity and by the oldness of the relationship with the wholesaler. It is important to note that none of the interviewed customer wanted to be namely mentioned in this paper and we will then just name them based on their activity. Moreover, the author finds important to mention that the wholesaler has been established in Geneva in 1900, so we speak in this paper of a 114 years old company.

Based on the interview with the manager of the wholesaler company, we could elaborate on the value in use creation. After the interview, there were three main points of discussion in terms of value in use. From the wholesaler point of view, value was created in terms of delivery speed and reactivity to demand, of quality (e.g. size precision, clarity, shapes, certificates and high end product) and of prices.

4.4.1 Business Dyadic Relationship 1

The firs relationship is with a jewelry shop which is a customer of the wholesaler since the years 30's. The jewelry shop is located in Geneva and has a base of loyal customers especially on the Swiss market with some foreign tourist during summer break. It managed to move with its time and developed improvement in style of the jewelry design. The jewelry shop is formed with a team of 4 sellers and 2 managers, who co-own the shop since the 30's. Like the wholesaler, this jewelry shop is a family business with actually the third generation owning the business.

In terms of relationship and the reasons of the relationship, the interview with the customer brought some inside in the relationship. One central question of the questionnaire was to know for which reasons the customer is doing business with the wholesaler. This question served on the elaboration of value in use creation. From the customer point of view, there is a long lasting relationship for two reasons, firstly due to the reactivity of the wholesaler. The managers of the shop mentioned that to any request the wholesaler could deliver the good in the 2 hours following the order, if the gems were in stock and within 2 days if gems had to come from oversees (e.g. India or US). Secondly, the managers mention their appreciation of the quality delivered. From their point of view, the end customer is more and more aware of what is going on with the diamond market and request better and better quality. The managers find that the wholesaler always managed to deliver high quality product, in terms of accordance between demand and supply. Such quality couldn't be found in the competitors, from managers' point of view. Finally the jewelry shop mentioned the long standing relationship between grand-fathers, fathers and actual owners which makes normal for the managers to keep collaborating since the relationship is healthy and wealthy. Additionally, the managers mentioned the positive side for the wholesaler to be a real family business, so the trust is for them easier to give. The concept of price has also been discussed during the interview but managers mentioned that it wasn't their priority to a certain extent if the quality was behind. Moreover, the managers mentioned that since the majority of the diamonds volume is of standard size, some percentage differences in the prize wasn't of big importance. However for really big stones, the prize differences will have all its importance and the same conclusion about the prize was made by the portfolio manager later in this section.

From the wholesaler perspective, these long relationships are valuable since they allow to make some advertisement to the new comers in the market and also to stabilize the base of the business.

4.4.2 Business Dyadic Relationship 2

The second interviewed customer was also a jewelry shop but a difference was made in the time length of the relationship. The second jewelry shop is working with the wholesaler only since 2005. However, there is a strong relationship between both parties nowadays. When speaking with the manager of the jewelry shop during the interview, the interviewer asked him how he acknowledged the existence of the wholesaler. The manager mentioned that he was working already with some customers of the wholesaler, back then his old supplier wasn't so competing anymore so he decided to search for another one and people around him recommended the studied wholesaler since he provides quality gems and that he is serious. In the beginning, a few business collaborations took place and the jewelry shop was really happy with the delivered gems and the choice possible within the stock of gems. From the jewelry shop point of view, the values of the wholesaler are the following: large choice available, quality product answering properly the demand and trustworthiness company.

In this relationship, the wholesaler values its attractiveness for new comers in the market. Due to the long period of existence of the wholesaler business, customers and action to gather new customers tended to diminish. Such new relations allow the wholesaler business to renew its customers' base, advertise to new potential customers and develop new challenges in the industry. Finally, like for the first jewelry shop, the relationship between wholesaler and jewelry shops is of great of value in order to analyze the demand of the end customer.

4.4.3 Business Dyadic Relationship 3

The third interview took place with a diamond setter. A diamond setter is the person putting the gems on a jewelry piece. These workers often work on demand of jewelry shops but remain independent. The studied diamond setter is single working person business and works for many years with the wholesaler. During the interview, the diamond setter elaborated on its value creation through the collaboration with the wholesaler on two points. Firstly, the quality of the gems delivered by the wholesaler (precision in the size and distinct clarities) and secondly the reactivity of the wholesaler was really appreciated. In the diamond setter business, we speak frequently about small size diamond going from 0.65 mm. till 3.50 mm. diameter, meaning in this type of goods an important volume of business. Moreover, diamond setter often needs goods as soon as possible since gems might break when setting or ordered number is not enough. The diamond setter interviewed really valued that for standard size lot ordered, he could expect to receive the gems within the same half-day with precision in size and quality. The diamond setter explained his choice for the studied wholesaler and not for competition based on the quality of the gems (proper sizes and clarities), on the availability of the gems and on the reactivity of the wholesaler.

The wholesaler values diamond setter from an economic perspective. While jewelry shops tend to order superior size goods, the diamond setters order volume with thousands of diamonds per week. Moreover, the diamond setters tend to order all qualities of goods which allow the wholesaler to have an important turnover of the stock. Finally, the wholesaler values the relationship

4.4.4 Business Dyadic Relationship 4

The last interview took place with a portfolio manager in a bank specialized in diamonds and gold investment for fortunate customers. Contradictory to the three first customers, this customer is an occasional customer of the wholesaler. His work consists of finding wholesaler to provide with investment diamonds. The portfolio manager values the relationship between his bank and the wholesaler from a perspective for the wholesaler to provide good quality price diamonds. As already stated, in this situation we will have a market of big diamonds going from 1 carat till 15 to 20 carats. The value will be located between 10'000 and 2 to 3 million US dollars, so from the portfolio manager, some percentage on the price will make the whole difference between the suppliers. Moreover, the capacity for the supplier to provide good quality stones is relevant in the business relationship. In the business relationship between the portfolio manager and the wholesaler, we have all required aspects from the customer fulfilled in order for the portfolio manager to often prioritize the studied wholesaler in business.

From the wholesaler point of view, such business represents a great opportunity to make really good deals. It allows the wholesaler to first improve its image in the market by promoting the background of the business and its possibility to run risky deals. Secondly, it also provides economic strength to the company.

5. ANALYSIS

Until now, we describe the whole market using the model of Kjellberg & Helgensson (2011) and described four business dyadic relationships within this network. We mentioned the value creation taking place in each dyadic business relationship; however, we haven't made any links between the network and the dyadic relationships and how the formalized network can influence the value creation. In this section, we will link and try to explain how the institutionalized network might influence the value in use in business dyadic relationship.

Summarizing the types of value in use created in the four relationships from the customer perspective we have reactivity, delivery speed, quality in terms of calibration and clarity, stock availability and economic when speaking about expensive stones. At a first sight and seeing the list of the value created in the relationships, we can think that an institutionalized industry will not have any influence on the creation of competitive advantages. However, there are evidences that this list is non-extensive and that an institutionalized industry will restrict the competitive advantage of the companies within the industry.

Firstly, we realize that the economic competitive advantage is playing a role only in one of the customer which is a rare frequency customer. This means that such customer doesn't have the priority of the wholesaler even if they are of big help in terms of economic advantage. The fact that the economic and prices value are not relevant in this industry are due to the regularization of the price list within the whole network. Customers will not find for frequent product a high price difference between the suppliers and it is for this reason that the money will not be considered as a competitive advantage. The price list will put all suppliers at the same level regarding the customer at the condition that the good would have followed the same type of supply chain. In the case of the price, we observe a price fixation much earlier in the value chain and in practice, De Beers will be one of the company fixing prices in the whole value chain by its practices of creating scarcity.

Secondly, we can realize that the values created in order to gain competitive advantages are one of the only values that a supplier can influence in the diamond industry for two reasons. Firstly, because we believe that the institutionalization of an industry will constrain the value creation. Secondly, because we speak about a raw material issued from the ground and that limitation in value creation will occur in the diamond industry with innovation or technology for example. From the observations, the institutionalization of the diamond industry like the certificate process for diamonds, the typical value chain to follow or the concept of trust will cover many aspects of the diamond industry and will force the actors within the industry to go with the flow in order to remain in the "race". The diamond industry, as stated, will work strongly on the concept of faith and by not following the rule, companies might lose the faith and so lose business. The "unwritten" rules of the diamond industry will have the bigger effect in constraining the value creation to create a competitive advantage. On the other hand, the diamond itself will be a constraint in creating competing advantage. Diamond is a raw material coming out of the ground. There are limitations in creating value like technological or innovative value due to its nature of raw material. 80% of the supply chain works with the same raw goods and contradictory to other industry where new technology or innovation can create competitive advantage, it is not possible with the diamond since round or a square diamond will remain a diamond.

In terms of marketing practices, the marketing campaign or the study of the customers to gain competitive advantage will need to take into account the rules and the practices of the industry in order to remain in the central path of the diamond market which actually doesn't allow changes in its practices. Marketing was strongly used 30 years ago to create the desire and the demand from the end customers. The campaign worked so well that actually the myth of the diamonds keeps running by itself. I personally see it in the reaction of the people when mentioning that my family works in the diamond industry and that I work in also in the diamond industry.

6. CONCLUSION

Based on our studies, we have clues that the institutionalization of an industry will constrain the possibility to create competitive advantage. To finish this paper, we will remind the central question of this paper in order to give a proper answer based on the initial findings. Our central question was "*How is value created in dyadic business relationships in an industry highly institutionalized in terms of marketing practices?*". To answer the question, we can say that, based on the initial findings, we have clues that the institutionalization of an industry tends to constrain the possibilities to create value in use and so competitive advantage. Institutionalization in every practices and not only in marketing will constrain the value creation and will require from marketing department a clear understanding of the market. The De Beers advertisement campaign of 1948 illustrate perfectly that companies understood the rules of the market and that to create scarcity, you need high demand and by playing on the feelings of the customers (love is forever so offers diamonds since they are forever) is even working better.

The diamond industry, since its creation, faced the rule of a cartel and it allowed the whole industry to beneficiate of a special system where value of goods has been exaggerated in order to create a luxury industry. The actual situation of the diamond market beneficiate all actors from the moment that these actors play "the rules of the game". In the future, the diamond industry will have to face challenges like the synthetic diamonds or the increasing competition in the industry due to the attractiveness of the market. However, I personally believe that the diamond industry will manage to face any crisis in order to get the results wanted due to the value of its goods and the value of diamond industry for developing countries like African countries, but this is another problem which requires further studies.

7. LIMITATIONS/DISCUSSION

This paper faced different limitations in terms of applicability of the research. Firstly, as mentioned in the paper, it is a study related to four business customer of one wholesaler so, we elaborate on four relationships in total. It would be interesting to take the same study on a bigger scale in order to confirm or refute the conclusion of this paper. Secondly, the diamond industry is really closed to external researcher following the scandal of the Blood and Conflicts diamonds in the late 90's and in order to prevent another scandal to take place, prevent information leaks to the general public. Thirdly, we faced limitations in the amount of research on the stickiness of a market. It seems that it is of non-relevance while some scholars clearly elaborated on the particularity of the market stickiness in terms of price or practices. Finally, the last limitation in this paper is personal and touches my implication in the diamond industry. Even if I tried my best to base my work on scholars and previous research, it might be possible that the reader would find subjective point of view in the paper. Even with my implication in the diamond industry, the quality of the paper wasn't affected by such situation and I am confident to have provided the reader with relevant information and insight on the problematic of the paper

I would like, hereby, to remind the reader that this paper aims to open the discussion on the hypothetical universal application of the service-dominant logic. This paper aims to raise questions in the mind of the reader in order to further elaborate on the generalization of value in use application and to know if the service-dominant logic can be applied with the same advantages to any industries.

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