
ValueGame

A method for involving customers in valuing outcomes

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valuegame

SOCIAL VALUE 

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Introduction

About the ValueGame

How can you measure the value of an experience that a person has, or of a change that they go through? Many social enterprises and commercial organisations want to know the value of their activities; what they are worth to the people who use them. For social enterprises this is particularly important, as typically the services they offer and the changes that they create in people's lives are not easy to value, as they are not sold or traded in a competitive market in the way that commercial services are.

The ValueGame is a simple, flexible method for valuation. It is a way of working with service users to find a (financial) proxy for the value of the outcomes they experience from activities, or even the value of the whole service to them. It is a mixture of techniques like participatory impact assessment, choice modelling (or discrete choice experiments) and contingent valuation. There are many alternative valuation techniques (see Section 3), though these may require resources and expertise beyond the reach of many social enterprises. Advantages of the ValueGame are:

- It is a flexible, low-cost method capable of yielding accurate results
- External, comparative data is not required (as it is in wellbeing valuation)
- Service users are directly involved in making the valuation
- It is accessible to almost all target audiences
- It avoids the biases that come with other financial proxy valuation methods
- It can be applied with different levels of rigour as needed

Applications include: market research, valuation and Social Return on Investment (SROI) calculations, though it can also be used for employee satisfaction surveys, design of social programmes, and working out a marketing mix for products and services.

About this guide

Section 1: A step-by-step guide to using the ValueGame with a focus group – a quick introduction to the methodology.

Section 2: How to get good results from the ValueGame – tips, caveats, ways to increase the level of rigour if needed, and different ways to use the ValueGame, e.g. online surveys.

Section 3: The ValueGame compared with other valuation techniques.

A collection of case studies is being compiled and will be published later in 2019.

Valuation of social outcomes

Involving stakeholders in valuing the outcomes of an activity or service is central to the Principles of Social Value[1], which are international guidelines for good practice for social enterprises. The first two principles are:

1. Involve stakeholders – Inform what gets measured and how this is measured and valued in an account of social value by involving stakeholders.

2. Value the things that matter – Making decisions about allocating resources between different options needs to recognise the values of stakeholders. Value refers to the relative importance of different outcomes. It is informed by stakeholders' preferences.

This document is not a guide to analysing Social Value or measuring social impact. Valuation is just one part of this. For further information about Social Value and valuing outcomes visit Social Value Int (socialvalueint.org) and download the Guide to SROI (The SROI Network, 2009).

Valuation is important for any organisation for a number of reasons. Knowing the value that customers gain from a service or activity can help an organisation to design better services, calculate social return on investment (SROI) and value for money, and decide to scale up a successful activity or stop one that is having little impact.

Organisations offer services that they believe create value, and make changes to those services in order to create more value. In some organisations, those decisions are not always informed by a transparent understanding of value as experienced by users.

The ValueGame is a way of estimating value that relies on the involvement of stakeholders. It is not strictly about calculating an absolute monetary value of a specific outcome, but about including the voice and values of customers in the assessment of what is important. It results in better informed decisions by including this value alongside everything else that influences decisions.

Traditional approaches to valuation often require resources and expertise that make them beyond the reach of the average practitioner to apply directly with end users. Instead, practitioners have to resort to referencing the work of others in the absence of being able to value outcomes directly with end users. Where rigorous valuations have been developed for national policy decisions and reflect a national average they can be used, but they will only ever reflect a national average.

The Social Value Principles

1. Involve stakeholders
2. Understand what changes
3. Value the things that matter
4. Only include what is material
5. Do not over-claim
6. Be transparent
7. Verify the result

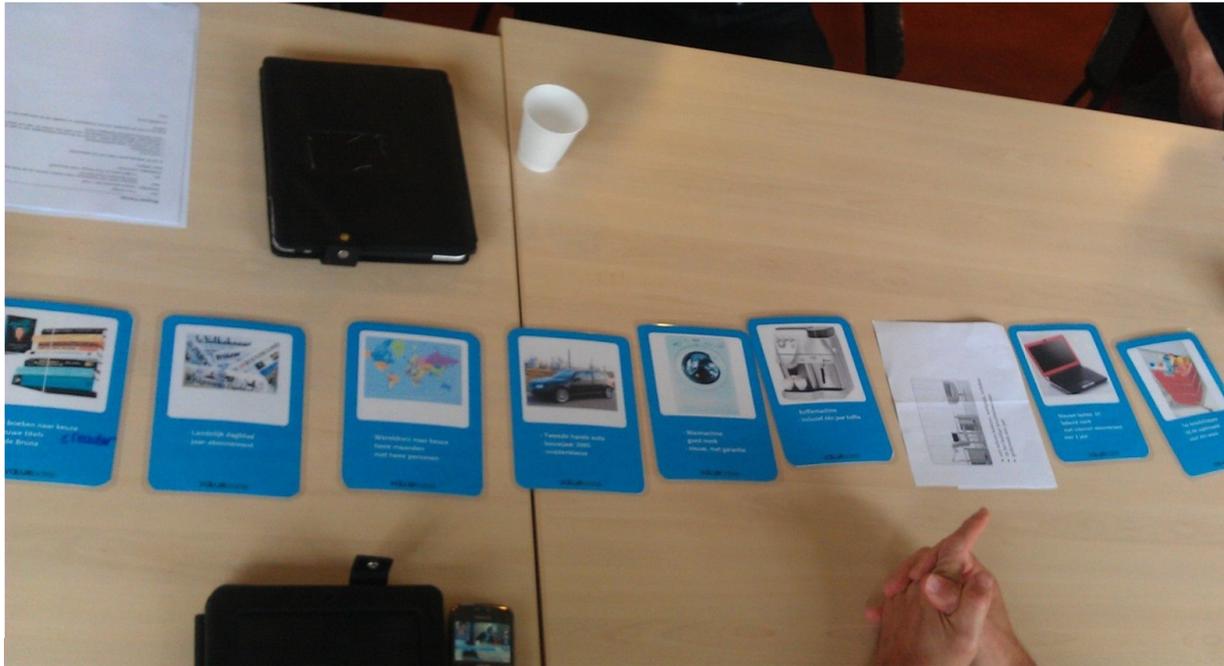
[1] <https://socialvalueint.org/social-value/principles-of-social-value/>

The result of a value game is a clear articulation of end users' priorities (rather than precise values). As such, it is a powerful primary data collection tool for value, which is better than trying to understand your end users' priorities from secondary data.

The ValueGame does provide financial proxies for outcomes experienced by service users or customers. Having this value gives you a common unit so you can compare the experiences of different groups of people. (If you are only interested in understanding the value for one group of people, a simple relative value assessment may be enough. For more see section 3).

Section 1: Step-by-step guide to the ValueGame

Below, we describe how to use the ValueGame with a focus group of people who benefit from an existing activity or service. The ValueGame methodology can of course be used in other ways – e.g. for market research for a planned service (using a focus group). Valuation can also be conducted online, with stakeholders participating individually, rather than in focus groups. We look at these other applications later. For now, the aim is to walk you through the process at its simplest so you understand how the method works.



Product cards [2]

Step 1: Gathering stakeholders

To play the ValueGame you need to assemble a focus group of people who have participated in your activity. The exercise will take several hours to get worthwhile results (1-2 hours are usually needed). A typical group would be made up of 6 -12 people, ideally a fairly homogenous group of your customers or service users – the more homogenous the better (we explain why in section 2).

When inviting your group and introducing the session explain that their participation in this exercise is important as the information captured in the session will help the organisation to improve existing services or design new ones.

Step 2: Defining outcomes and creating Outcome Cards

You start by talking with the group about the changes or outcomes they have experienced as a result of taking part in your activity, service or programme.

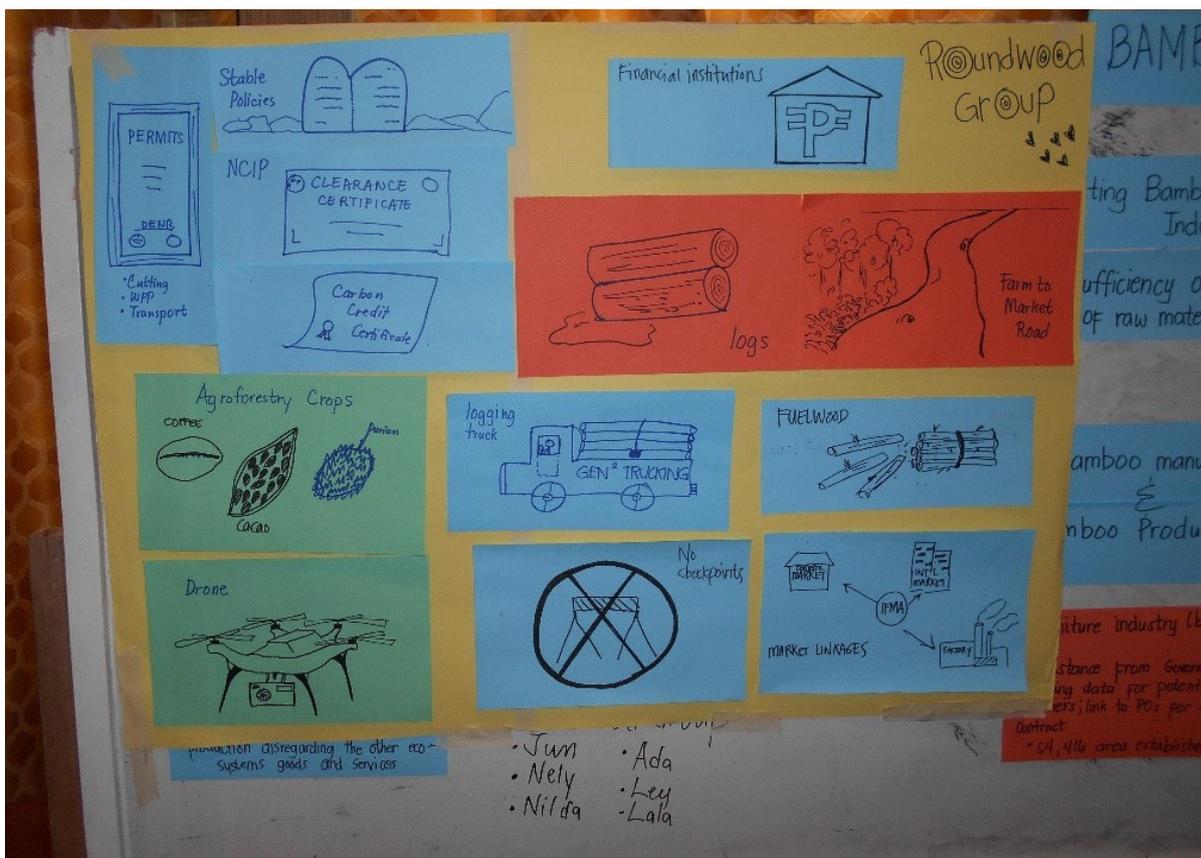
[2] Image source: Peter Scholten value game online

People will often have experienced a number of changes, some unique to them, others that they have in common with the group.

The aim of this step is to identify the common outcomes that the group have all experienced and which matter to them – and are directly related to the activity. Your aim is to use this phase of the discussion to capture a set of well-defined outcomes (more on this in section 2) that the group all agree on. You create an Outcome Card (or impact card) for each of the changes that the group has agreed is important.

It is best practice for the Outcome Cards to consist of images rather than words. Use pictures to represent the change or 'outcome' that the group have defined. Words are open to interpretation, whereas images should make it easier for everyone to have a shared understanding of what they denote.

Now you ask the group to rank those outcomes in order of the importance to them. As with defining of outcomes, you need to allow time for the group to discuss and agree on the order of importance of the different outcomes. You should end up with your Outcome Cards arranged in order of importance to the group.



Creating outcome cards[3]

Step 3: Creating Product Cards

We now get to the part that groups usually find very interesting – creating the Product Cards that are going to help you value the outcomes you have identified. It is possible to do this step before Step 2 if you prefer.

You start by asking each individual to come up with their own wish list of things that they would like to be given or that could be bought. They can think of it as a very special Christmas or birthday list, or what they would buy if they had a windfall. This can also be done as a group exercise.

Everyone writes down their list of five or six things they would like to have. Then you get the group to share their lists and discuss what everyone else has put on their wish lists. Your aim now is to get the group to agree on a list of things that they would all like in a range of values, but do not at this stage include the cost of the items (more on this in Section 2).

You should create eight or nine Product Cards for the items the group agree on – you can do this using simple drawings, clip art, or images found online or in magazines. The more specific the cards can be, the more accurate you can be in your monetary valuation. For example, if the card shows a specific mobile phone (i.e. the latest iPhone) then this is easier to monetise than if the card showed a generic picture of a mobile phone. Once you have created the Product Cards, you then get the group to lay them out in order of importance or value to them.

Getting the cards right is a crucial step for good results and we discuss how to do this in detail in Section 2. A very wide range of 'products' can be used – including holidays and even having utility bills paid for a period of time. What matters is that the products are relevant to the group and matter to them. It is also important to note that you want to avoid talking about money and the price of things as you do this. In this game, the products they choose are valued for the idea of experiencing having them. They are not to be thought of as things that people could exchange for cash, although they do need to be items that can be purchased.



Creating product cards[4]

The final step you take with the focus group is to take each of your Outcome Cards in turn, and find out where the group would place that outcome in the sequence of Product Cards the group has created and laid out. When discussing where to place an Outcome Card, the question for the group is not about the value, but whether they prefer a particular product to the outcome or not.

It is important to ensure that when people are comparing outcomes to products, they are comparing over a consistent time-period. For example, if comparing a change in personal circumstances, you need to ask your customers to compare this lasting for one year, to products such as a car being paid for one year. This can be a little messy with products such as a two-week holiday once a year, but it is important to be clear that comparison is based on the same time-frame.

Again the discussion and negotiation is important here. Your aim is to work with the group to find a place for each of the Outcome Cards you created somewhere in the sequence of Product Cards. When you have done this and checked that everyone is happy with the placement of the cards, then the Value Game is finished, and you can thank the group for their valuable contribution and capture any last comments or feedback on the process.



Step 6: Evaluating the results

If your Product Cards are created carefully you will be able to find out the approximate value of the items the group have chosen – and you will have a range of values represented from low to high. With these approximate values known, you are now able to value the outcomes of your activity in relation to where each has been placed on the value line of Product Cards. In many cases, you will know that the value of an outcome experienced by the group is somewhere between two Product Card values – in other words, your valuation is expressed as a range rather than as a single number.

Clearly, getting the Product Cards right is essential for good and accurate results.

[5] Placing the cards in order

The items need to be well-defined and fairly evenly spaced in terms of their value (more on this in Section 2). You also need to ensure that the Product Cards are created so that all the outcomes are assigned a value somewhere between the highest and lowest value card.

To get results that are truly representative of your customers, the ValueGame needs to be repeated with other groups, covering all of the different segments of your customer base – and the whole valuation needs to be repeated periodically to capture changes over time in the outcomes that people experience and how they value them.

Section 2: Getting good results from the ValueGame

While the ValueGame methodology is fairly simple, care needs to be taken at every stage to ensure good results – ones that truly represent the value that people gain from your service or activity, and which can reasonably be compared with results from other groups. In this section, we offer some tips for getting accurate results, caveats for things to avoid, and ways of increasing the level of rigour.

Defining the scope of your valuation research

The subjectivity of the values identified through the ValueGame is one of its strengths, which is why we recommend using focus groups. They are a relatively low cost, low resource way of finding out about the changes that people experience as a result of using your service, and how they value those changes in terms that are relevant to them. The discussion around the changes experienced and the values that people award them may well also provide valuable insights for the organisation providing the service.

The values revealed can be very useful in making decisions about how to improve services, how to market them, and on decisions related to best use of resources. In the wider context of valuation methods, however, the ValueGame offers a relatively low level of rigour in terms of its results – though greater accuracy and weight can be given to results if the exercise is repeated with a number of groups and over a period of time. You need to be clear about what the aim of the valuation research is and whether the ValueGame is the right approach for you (more on this in Section 3).

How many focus groups you will need to run will depend on how you are going to use the results. A single session will yield limited results, while conducting dozens will mean a significant cost in time and resources. If you plan to use the ValueGame online, you can use a small number of focus group sessions to create and validate Value Cards (Outcome and Product Cards) which can then be used for a larger online research exercise.

Choosing the team to run the focus groups

Running a focus group effectively is a skilled activity. The person facilitating the session needs to be able to establish rapport with the group, be good at listening, know when to let the discussion run, when to dig deeper, when to steer the conversation back on track, and to guide the planned session in the allotted time in a sensitive way.

The facilitator can inadvertently influence what people say – making them hold back or edit their views or say what they think the facilitator wants to hear. Your choice of facilitator needs to be sensitive to the make-up of the group of people in the session – and be someone the group can relate to. If the focus group participants are part of your organisation and the valuation is an internal exercise, then using an external moderator is a good idea.

For these reasons, it is important to choose the right person and use an experienced facilitator. Having the same person run sessions that will be used for comparison could be worthwhile. There is plenty of online guidance available on running effective focus groups[6].

It's important to capture the discussion as it unfolds and the results of the valuation. Some facilitators may be able to do this while leading the session, but you may decide you also need someone to document the session. You will need to take photographs to capture where the Outcome Cards are placed in relation to the Product Cards. You can record sessions (audio or video) to capture reactions, tone of voice and attitudes – though you need to obtain consent and apply appropriate privacy policies.

Creating representative focus groups



[7] Image found on Google Images – unsourced

For each focus group you will ideally bring together around 6 - 12 people. You may need to invite a larger number as some people may not turn up on the day. In choosing people to invite, be wary of the temptation to invite people who are the easiest to engage or who are most positive about your service or activity.

The composition of the group is key to a successful session and meaningful results. For the ValueGame you want a homogenous group of people, the more homogenous the better, rather than a cross section of your service users. For instance, if your service is used by people who live in suburban and city centre locations, then assemble a group for each segment of your users. Other factors such as age, gender, level of education or economic

[6] <https://www.eiu.edu/ihec/Krueger-FocusGroupInterviews.pdf>.

[7] If you would like this picture to be acknowledged or removed please contact us at info@socialvalueuk.org or info@peterscholten.com.

economic circumstances may change people's experience of your service or activity and this should be part of your thinking when trying to create homogenous focus groups.

For best results with the ValueGame, create groups with broadly-shared experiences and views. If you assemble a seemingly homogenous group and there is a clear division in terms of the outcomes they have experienced, then consider splitting the group and running the ValueGame exercise in tandem with the two groups.

Using images for valuation exercises

The use of images in valuation exercises was pioneered in settings where literacy is often low. A participatory approach to assessing impact is needed. The Participatory Impact Assessment method uses images of products or services that are relevant to the target group to appraise the impact of interventions – in some situations, participants place markers, such as stones and shells, to the picture to express the things that matter to them.



[8] Image found on Google Images – unsourced

Images are valuable in the context of the ValueGame, as they can signify meaning in ways that words cannot, and bypass potential ambiguities or misunderstandings associated with words. For the Outcome Cards, you will also create a short descriptor of the change or outcome the group have experienced. For the Product Cards, you will choose an image and some words that state key specifics about the item. In both cases, by working with the group to agree on both the wording and the representative image, you get cards that are better able to embody the group's views of what they value.

Creating Outcome Cards – capturing well-defined outcomes

We are interested in the changes that people experience in their lives as the result of your activity – and how valuable those changes are to them. We want to use the focus group discussion to identify all the different changes the people experience individually, and then look at the ones that are shared by the whole group.

We want to use the discussion to create well-defined outcomes – these are those changes that the stakeholder would identify as valuable to them and are reasonably sustainable (i.e. are unlikely to be reversed with the stakeholder going back to their previous situation). These two aspects of a well-defined outcome are our best opportunity to increase or decrease value by changing how we deliver a service. This means we must focus on the consequences of activities, and not just the goals of our work. Further guidance on well-defined outcomes can be found [here](#).

Work with the group to agree a short description for each outcome, and also draw or find an image that captures that outcome for the group. You can use clip art, line drawings, stock images or images cut from magazines. Each finished card will feature a picture that sums up a change the group have experienced, with a short description underneath. If the change lasts for a while, then the words should specify the duration.

If there are outcomes experienced by some of the group and not others, make sure those outcomes are still captured, even if they are not selected to be turned into Outcome Cards.

Creating Product Cards – capturing what people really value

Creating a set of Product Cards for the group that will give you meaningful valuation results is one of the most crucial steps to get right.

It is key that the items chosen are meaningful to the group – subsistence farmers in developing countries will choose very different things from urban office workers in a developed country; young people will value different things to the middle-aged or the elderly; women may value different things from men; and so on.

So, in the focus group you must allow the group to suggest things that are relevant and of value to them. That could be a meal for two at a particular restaurant; or a pair of tickets to see their favourite sports team play, or to a concert of a favourite band or performer; or an item of clothing; or a car; a week's holiday for two; or even having utility bills paid for a month or even a year. The facilitator may need to offer prompts to get the group started or if they get stuck, but the items must be chosen by the participants.

To get a set of Product Cards that work, the facilitator needs to be alert to a number of potential issues with what people choose:

1) Avoid mixing everyday items with luxury items. You want the set of Product Cards to be self-consistent in some way – if people suggest daily essentials (such as bills or food) as things they want, then it is best not to include alongside luxuries and ‘nice to have’ items. The reason for this is luxury goods may have high financial value but have little or no value to people who are struggling for basic needs. For example, they may value having a basic amount to eat higher than a luxury holiday or car. It is better to find products that are on the same level of necessity.

2) Be very specific about the products. The facilitator needs to ensure that the choices are specific enough. If the group agree that ‘a sofa’ would be a good thing to have, then you need to find out what kind of sofa; a single sofa or a three-piece suite, and of what quality?

If the group agree on ‘a holiday’ as a Product Card, then you need to work with them to be specific about key options, the kind of destination, duration, number of people and so on. If it is a bill to be paid, then specify the duration. If it is a second-hand car, then its age and condition.

3) Choose the right images. When choosing images for the Product Cards, you want the group to choose ones that help the group to internalise the experience (e.g., an exciting roller coaster ride, a romantic dinner, or a relaxing walk on holiday). Clip art, line art and stock images are good sources of inspiration for Product Card imagery. With clothes and shoes, be aware that people can have strong views about certain colours and styles, so your images and descriptors must work for the whole group.

4) Select a range of products. The facilitator also needs to make sure the group agree on items in a range of values, ideally fairly evenly spaced in terms of value (e.g. €1, €10, €20, €50, €100, €500, €1000, etc). You may need to intervene to ensure that there is a range of items from relatively low cost right up to high cost, that way you make sure there is a value ‘ceiling’ and ‘floor’ so that all the Outcome Cards find their place somewhere between those high and low values.

Placing the Outcome Cards in relation to the Product Cards

Usually, through discussion participants will come to agree on where they want to place a particular Outcome Card in relation to the line of Product Cards. Sometimes, some participants won’t agree, and the group can’t reach a consensus. This is a prompt for the facilitator to probe and find out what lies behind this disagreement, is it to do with age or gender or other group segmentation factor. It could be to do with the design of the card. The facilitator must decide how far to go with this, whether to ‘park’ this card until all the others are placed, or to allow the Outcome Card to have different values for different segments of the group.

Although you should try to ensure that the Product Cards cover a range of values from high to low, there are two potential issues you may encounter.

The first is where the group place the Outcome Card at the lowest or highest point on the scale of Product Cards. This means that they value the outcome lower or higher than any product, and we would therefore find it difficult to identify the value. One potential solution is to encourage your participants to identify other products that provide lower or higher values so that you would then have an outcome falling within a range of values.

If the outcome is valued above the highest Product Card, you can adjust the time-period of the product and then see how your customers now value the outcome in comparison. For example, if the highest ranked Product Card is for a two-week holiday once a year, or a year's mortgage payments, you could change the time periods and try the comparative valuation again: how does the outcome experienced compare to having a two-week holiday twice a year, or two years of mortgage payments and so on. This approach can help you to identify the value of outcomes that people say are 'priceless' but do be aware of the risk of over-claiming as people may say things that they think others want to hear.

Sometimes even by extending the time period of the product cards the social outcome still remains at the top of the list. People may say that it is 'priceless' or 'nothing can compare'. One thing to consider is that the outcome is too vague or too ambitious – could it be adjusted to reflect the actual change within the time frame of your intervention. Of course, there are exceptions to the rule where outcomes happen that are 'priceless' but be careful.

The second challenge that you could face is when the relative price of the products doesn't reflect the order of preference that people have identified. For example, participants may value a family ticket to a theme park much more than other items even though it has a lower price. In this instance the participants might be valuing the product based on their real desire which is to spend time with their family. Some participants may not have family and so they may disagree. In this instance and there is a clear difference you may have two sub groups (those with family and those without). There are two ways to deal with this; a) split the group into two and run two different exercises or b) remove the product card because it is not relevant to the whole group and is causing confusion.

The key is to be transparent about the decisions you make. If you exclude or amend certain products, explain why. The alternative is to abide by the principle not to over-claim, and if the outcome is placed on the scale below an item with a low price, you can accept this as the relative value of the outcome – remember there is always the chance that people do not value their outcomes very much.

Recording and evaluating the results

It is important to take pictures of the final positions of the cards, as well as recording the order of both the Outcome and Product Cards. For each Product Card research the typical value of that item and record the information. Now, with each Outcome Card placed

between two Product Cards, you have an approximate range in monetary value for each of the outcomes experienced by the group.

To increase the accuracy of this valuation research, you need to repeat the process with other focus groups, ideally with a group for each significant segment of your user base. How many groups, or what percentage of your customers should you include in your focus groups if you want to have a 'statistically significant' investigation?

There are no fixed rules for sample size – generally, the more participants the better, depending on the time and resources available. As important as quantity is the quality of the groups and the process, as well as ensuring that through a number of focus groups you reach a representative cross section of your customer base. Using the ValueGame online (see below), offers more scope to scale up and apply statistical methods.

When reporting your results to service users and other stakeholders and funders, don't over-claim, be honest and transparent about how you gathered the data. There is also the opportunity at this stage to include the prices for the different products identified and ask your customers if they still agree with the results. This is not a mandatory stage of the ValueGame, but can provide a further opportunity to validate your results.

Different ways of using the ValueGame

The ValueGame can be used for market research. You can create Outcome Cards for a service that you are planning to set up, where the outcomes are ones that stakeholders want or hope to experience as a result of your activity. You then run the game as described earlier.

The ValueGame can be used to quantify employee satisfaction. In the same way that customers are asked to compare outcomes to products, employees can be asked to compare different outcomes they experience, or the value of different activities in relation to their satisfaction.

The ValueGame can also be used online by individual participants. You can still use focus groups to create and validate the Outcome and Product Cards, but after that you can invite people to play the ValueGame online and collect data this way on – hopefully – a much bigger scale. Some organisations may want to set up their own online survey tool using the card, but if that is not the case the authors of this guide have created an online version that is available to subscribers at <http://www.valuegame-online.org/> (see box on the next page).

ValueGame-online

There are two ways of using our online version. The first is to ask participants to create their own value cards, uploading images and creating the cards using the tools on the website. The second method is to conduct focus groups as described earlier to create sets of value cards that can then be used by the people invited to respond online.

Using social media, as well as prizes and promotions, there's the potential to get responses from a large number of participants.

The online version of the ValueGame allows you to create up to three Outcome Cards and 12 Product Cards.

Typically, you would give invited respondents a time period to complete the game. As with the focus group method, participants rank the Outcome Cards in order and place them somewhere in the sequence of Product Cards.



[9] Children playing the value game online

Section 3: The ValueGame compared with other valuation techniques

There are two principal categories of quantitative valuation methods – those based in monetary terms and those that are non-monetary. For the purposes of this guide, we are going to focus mainly on comparing the ValueGame to other monetary valuation techniques. For more on all quantitative valuation approaches, please refer to Valuing the things that matter[10], the Social Value International standard related to good practice in valuation.

The main types of monetary valuation techniques are:

- Revealed preference techniques
- Stated preference approaches
- Wellbeing valuation
- Cost-based approaches

Revealed preference techniques

These methods examine the way in which people reveal their preferences for goods or services through market production and consumption, and the prices that are therefore given to these goods (explicitly or implicitly). Where direct markets for goods or services exist, the value people place upon them is revealed directly using market prices, either for that or a similar good (substitute prices). Where an impact causes a change in production (for example, loss of fishery output from damaging coral reefs, or increased income following a training course), effect on production (or change in productivity) can be used.

Within the scope of revealed preference techniques, values can also be revealed by analysing data on the time and costs (travel cost method). Alternatively, they can be based on analysing how the price of an asset changes with different attributes, such as housing prices for access to favoured schools, ecosystems view, or the number of bedrooms (hedonic pricing). This approach can also use wage differentials between similar jobs to value environmental quality differences between regions, or increased risk of personal harm.

Stated preference approaches

These methods ask people to 'state their preference' for a good or service, often using questionnaires. For example, contingent valuation surveys ask respondents directly for the equivalent value through their willingness to pay (WTP) for a good or service, often using questionnaires. For example, contingent valuation surveys ask respondents directly for the equivalent value through their willingness

[10] <https://socialvalueint.org/social-value/standards-and-guidance/>

to pay (WTP) for a good or service, or their willingness to accept (WTA) as a compensating value for its loss. As the name suggests, contingent valuations are contingent on specific characteristics, such as the willingness to pay for a specific increase in personal health, or an improved local ecosystem; or conversely the willingness to accept a reduction in health, or damage to an ecosystem.

Choice experiments are a form of stated preference approach, although rather than ask directly for a WTP, values are inferred by asking respondents to choose between several scenarios that combine different levels of attributes, and/or different types of services provided (landscape, species biodiversity, etc.), as well as an associated financial value for each combination. Conjoint analysis experiments are similar but different to the choice experiment as they explore the value of different attributes of the options presented. There are many academic articles exploring the differences should you want to research this further.

The ValueGame is a recently developed type of stated preference valuation method. These techniques are especially useful in determining non-use values (such as changes in confidence, or the existence of a species). The approach is similar to a choice experiment, however, those taking part in a ValueGame exercise are not necessarily shown corresponding values of the good or services, rather their key characteristics are provided to provide a clear understanding of what an outcome is being compared to. Values are subsequently identified through secondary research or can be further verified with stakeholders by highlighting the prices of the identified goods/services.

Similarly, auction games ask participants to place bids, either through silent or group-based auctions to identify WTP or WTA for outcomes, or different characteristics of things.

Wellbeing valuation

These methods use statistical analysis of large questionnaire datasets to value the effect on wellbeing from changes in life circumstances. This is done by calculating the increase in income that would be necessary for an equivalent increase in wellbeing. For example, if the change in income of £2,000 increases life-satisfaction by 1 point, and a change in mental wellbeing increases life-satisfaction by 2 points, there is a corresponding value of £4,000.

A combination of the wellbeing valuation and stated preference approaches can also be used (hybrid stated preference / wellbeing valuation), whereby stakeholders are asked to state the amount of compensation they would be willing to accept for a particular loss, in order to maintain their current level of wellbeing.

Cost-based approaches

These consider the market trade-offs (or costs avoided) associated with maintaining an outcome, considerations that are typically appropriate for organisations rather than individuals. An example of this would be looking at the cost of replacing volunteers' time with paid staff doing the same role (referred to as replacement costs).

Calculating an 'opportunity cost' is an alternative approach that can provide an appropriate value for the time contributed by individuals. For example, to value the time volunteers contribute from their perspective, we consider what they could have earned through employment or being paid at an hourly rate (such as the minimum or living wage).

Another approach involves estimating the cost of damages to property or businesses that may be avoided due to the existence of an ecosystem service (damage costs avoided). Within this approach there are also those instances where it would be unrealistic to state an actual cost-saving, although there is potential for the re-allocation of resources. For example, a service that reduces criminal re-offending rates does not create immediate savings to criminal justice departments, as the costs associated with maintaining the service are already allocated. However, it does provide the potential for resources to be re-allocated to meet other demands or address other priorities in the system.

Reasons to use the ValueGame

The ValueGame focuses on the experiences of customers or beneficiaries of a service or activity. It helps uncover what they find valuable, what their problems are, and what should be changed.

As well as allowing you to find the "value" of a particular outcome arising from a service or activity, the ValueGame provides space for the perceptions of a group of customers to be understood by giving them a voice in determining what outcomes really matter (while using a service, in retrospect or before using a service).

The ValueGame is a simple, low cost method that can be applied with different degrees of rigour; from low (with a small group of people) to high rigour (by scaling up to large numbers of groups or individuals). See appendix A for a table comparing Value Game with other approaches.

Useful links and further reading

A collection of value game case-studies is being produced and will be published later in 2019.

The manual and some cases for ValueGame Online [<http://www.valuegame-online.org/index.php/news>]

Social Value International Standards – see documents on ‘Creating Well-defined outcomes’ and ‘Value what matters’. [<https://socialvalueint.org/social-value/standards-and-guidance/>]

World Business Council Sustainable Development – social and human capital protocol [<http://social-human-capital.org/download-social-capital-protocol>]

The Guide to SROI [<https://socialvalueint.org/social-value/standards-and-guidance/the-guide-to-sroi/>]

Maximise your impact [<https://socialvalueint.org/social-value/standards-and-guidance/maximise-your-impact-a-guide-for-social-entrepreneurs/>]

The Global Value Exchange is a crowdsourced database of valuations. [www.globalvalueexchange.org]

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For more information and case studies please visit: www.socialvalueint.org

To access the online tool click here: www.valuegame-online.org

For further enquiries contact: info@valuegame.org

Appendix A - Comparison of valuation approaches

Valuation approach	Strengths compared to value game	Weaknesses compared to value game
Revealed preference techniques	It refers to how people actually spend their money.	It may underestimate the perceived value because value is normally higher than price people pay.
Stated preference approaches	Value Game is a stated preference approach	
Wellbeing valuation	Desk research based so less involvement with your customers required. Large data set.	May not represent the values/perspective of your customers.
Cost Based approach	Easy to obtain these values (via desk research)	May not represent the values/perspective of your customers.