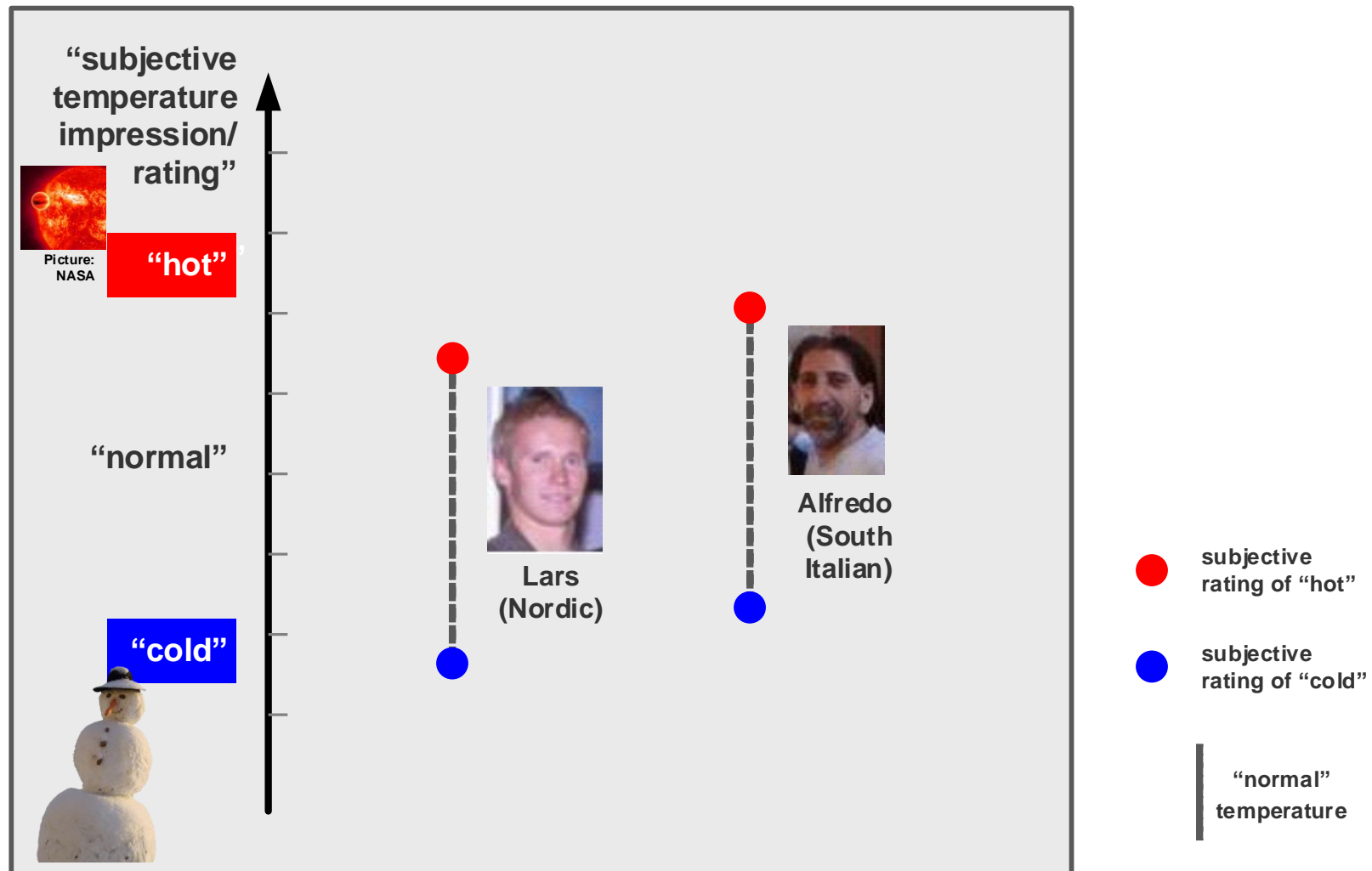


**We are using subjective “measurement” all the time**

## Example 1: Temperature

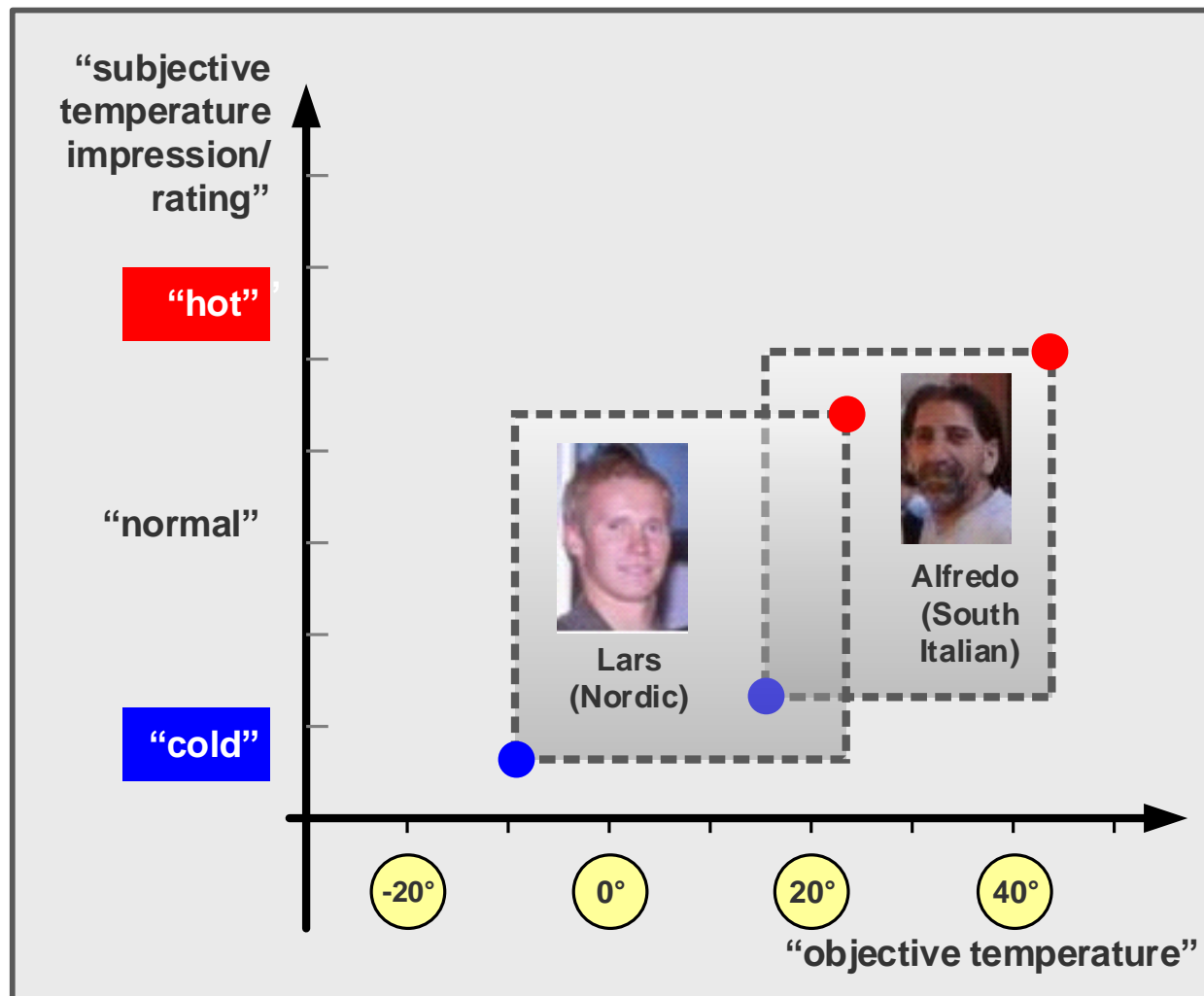
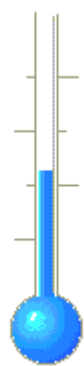
(ask Alfredo and Lars what they regard as “normal” temperature)



# We are using subjective “measurement” all the time

## Example 1: Temperature

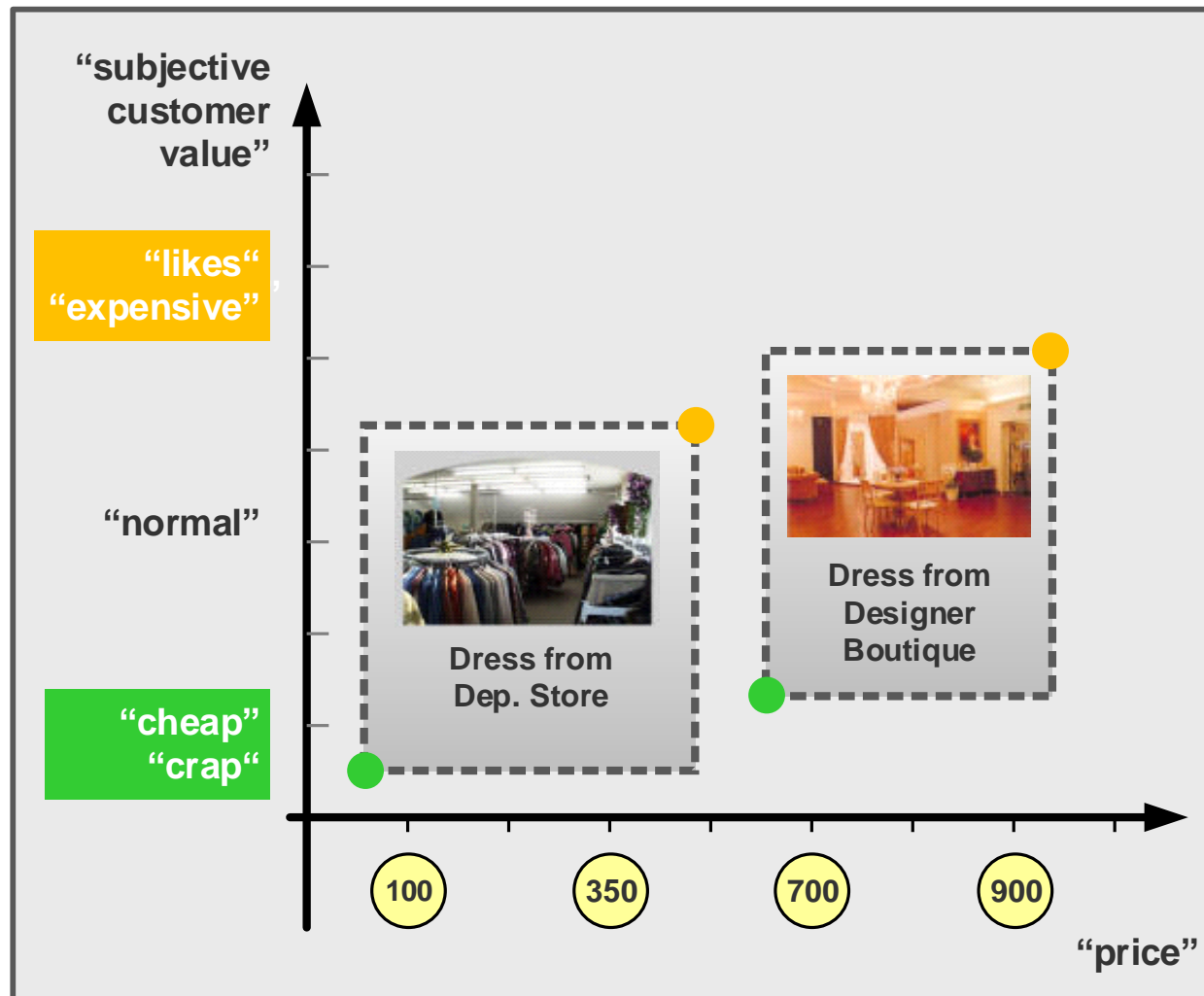
(ask Alfredo and Lars what they regard as “normal” temperature)



# We are using subjective “measurement” all the time

## Example 2: Price

(How much is Mrs. Miller willing to pay for her new dress?)

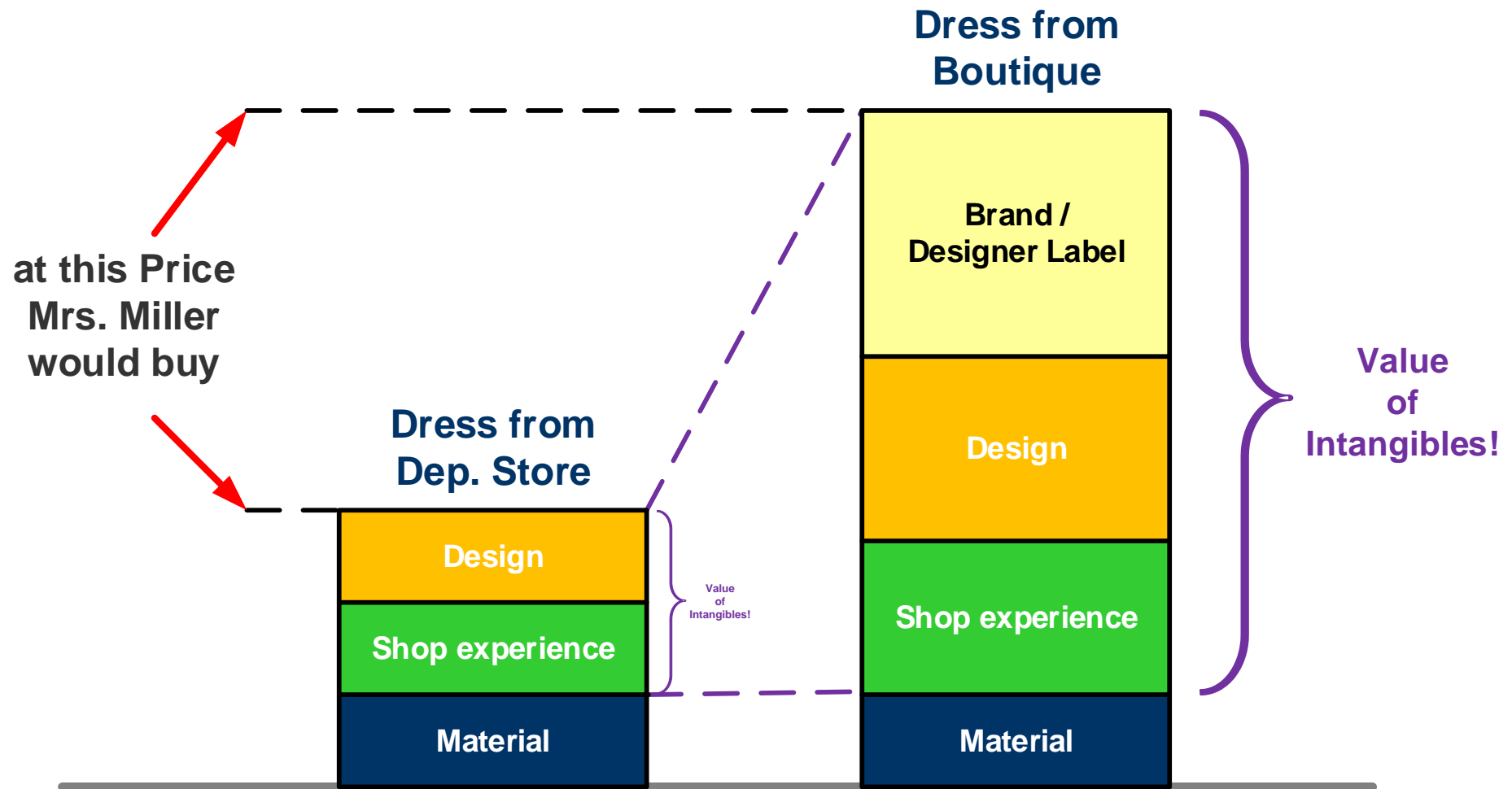


● subjective rating of “expensive”

● subjective rating of “cheap”

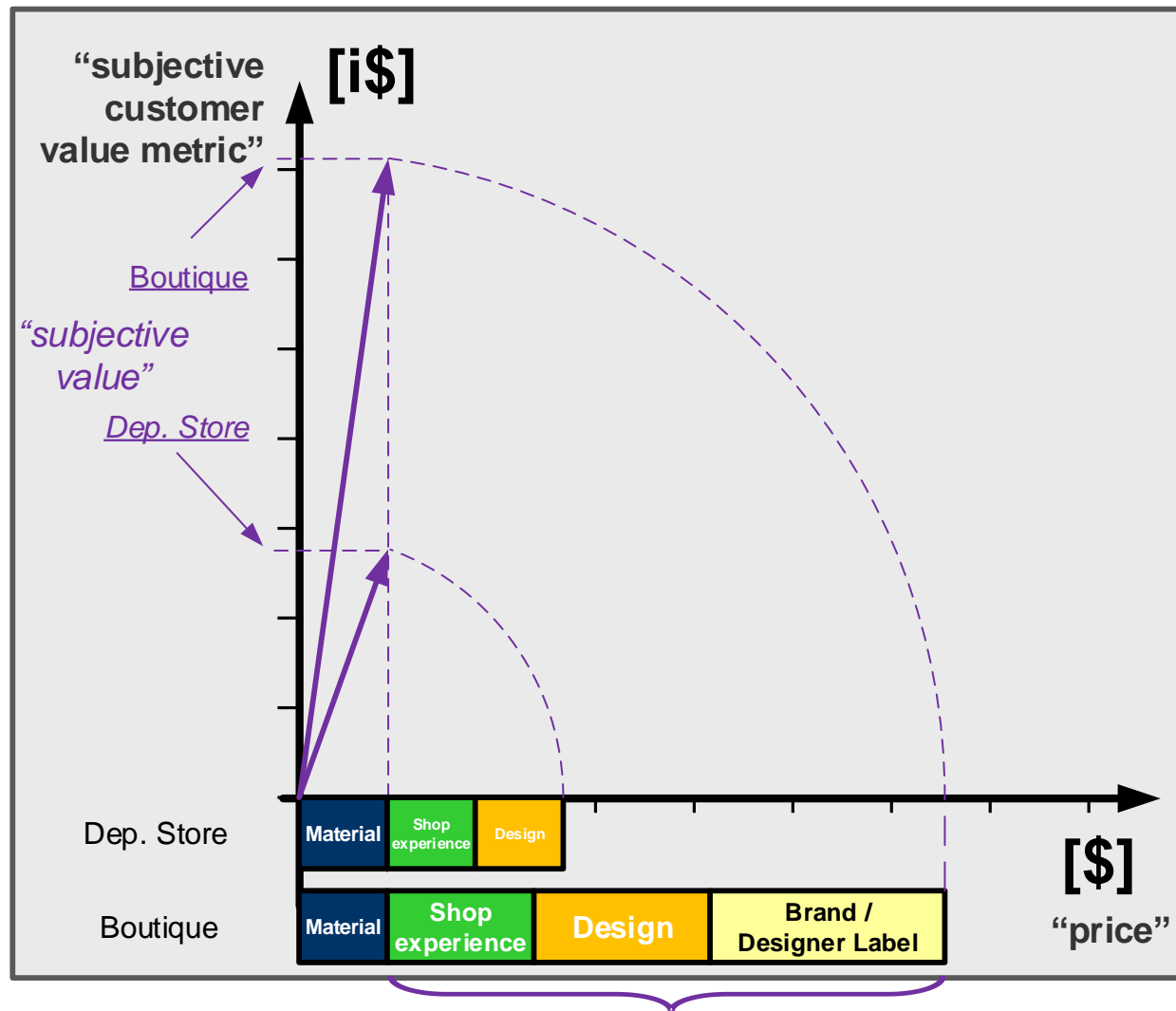
“normal”  
price

## Mrs. Miller's product valuation



**We are using subjective “measurement” all the time**

**Introducing subjective value metric [i\$]  
(a quantitative metric for subjective values)**



- Every customer is placing a (intangible, subjective) value on products or services according to subjective qualitative criteria.
- Organizations that provide services or products to customer have to consider this subjective, qualitative (intangible) dimension in managerial decision making throughout the entire value chain.
- Otherwise they would not be able to use their full potential to create value (for customers, shareholders and other stakeholders).



**Organisations need performance measurement systems that value subjective, qualitative value through relative ratings and that combine them with quantitative, financial information**