ABSTRACT

The importance of value co-creation processes to firms’ competitive strategy is widely recognized, both in practice and in academia. Therefore, it becomes essential to identify which variables drive consumers to collaborate with companies. A primary influence on this consumer decision relates to the search for greater satisfaction. This article proposes a theoretical model that relates the process of co-creating value with customer satisfaction. The proposed conceptual model also includes the user’s motivation as a potential mediating variable in the process that transforms co-creation activities into consumer satisfaction.

Keywords: Consumer Behavior, Consumer Satisfaction, Social Media, Value Co-Creation

INTRODUCTION

Many new products launched on modern markets fail to meet consumers’ expectations (Christensen, 1997; Fuller, 2010; Matzler & Hinterhuber, 1998; Ogawa & Piller, 2006). Approximately 76% of new market launches fail during their first year, and two-thirds fail to reach 10,000 units of annual sales (Nielsen, 2014). Dissatisfied with available options in the market and equipped with new technological and social tools, consumers thus seek to interact with businesses to co-create value (Prahalad & Ramaswamy, 2004a, b). In a more traditional value creation approach, companies offer innovative products (Kirca, Jayachandran, & Bearden, 2005). Companies with distinctive, differentiated capabilities compared with competitors then should create greater customer value and achieve competitive advantages. If they can co-create such benefits, companies also might enjoy customer loyalty, based on perceptions of higher product quality (Slater & Narver, 1995).
Quality perceptions—in the sense of satisfying individual customers’ needs—represent the most common type of differentiation (Norman, 1988). However, consumers increasingly perceive that they could attain higher quality products and services, by producing more appropriate and customized versions themselves (Füller, 2006). Even as more products continue to enter the market, customer satisfaction remains limited (Huffman & Kahn, 1998), because customers are both better educated and informed and more selective and demanding. These modern consumers demand greater value creation from firms (Vazquez Camacho and Silva, 2013).

Simultaneously, the Internet and new information and communication technologies (ICTs) allow users to interact widely and easily, with companies and other users. In this sense, the Internet has increased consumers’ power, through two main processes: reformulating the identity of each user (through interactions with others, learning processes, and the creation of social links) and increasing users’ efficiency and skills (Hamburger, McKenna, & Tal, 2008). These skilled, powerful customers thus proactively participate in the development of new products by generating and evaluating new ideas, improving product details, selecting and individualizing preferred prototypes, experiencing new product features through simulations, obtaining and sharing new product information, or simply consuming (Fuller, 2006). A better understanding of value as perceived by these consumers then might help companies gain advantages for the design and delivery of customized products that maximize consumer satisfaction (Du, Jiao, & Tseng, 2006). That is, consumers can co-create value by serving as creative designers of their own solutions (Xie, Bagozzi, & Troye, 2008).

Ensuring the success of a new product or service requires companies to have a detailed understanding of their customer’s behavior, the concrete situation, and their needs and desires at that moment in time. Achieving these insights in turn demands active interaction with customers (Lagrosen, 2001, 2005). Customers must be willing and able to interact with firms and contribute to the process, which constitutes a main challenge for companies (Auh, Bell, McLeod, & Shih, 2007; Füller & Matzler, 2008; Lengnick-Hall, Claycomb, & Inks, 2000; Sawhney & Prandelli, 2000). Understanding consumers is not enough to ensure new product success; consumers must also be active or proactive (Lagrosen, 2005), as well as motivated to share their knowledge, ideas, and preferences with companies (Füller, 2006). Activities that lead to unique experiences thus must involve both customer participation and a connection linking it to the experience (Shaw, Bailey, & Williams, 2011).

Recognizing these traits, the current article seeks to analyze the process of value co-creation, its consequences, and its effects on consumers, particularly in terms of consumer satisfaction. Moreover, it considers the potential moderating effect of motivational factors.

CONCEPTUAL FRAMEWORK

Extant literature pertaining to value co-creation suggests a range of definitions, indicating a general lack of consensus. Prior studies also propose some effects of value co-creation and the potential effects of consumer motivation in co-creation performance. A review of these findings provides a foundation for the conceptual model in the following sections.

Value Co-Creation Concept

Recent studies attempt to provide a clear definition of value co-creation (see Table 1), to overcome any confusion caused when it is treated as synonymous with other concepts, such as co-design (Lusch, Vargo, & O’Brien, 2007), co-production (Auh et al., 2007; Sanders & Stappers, 2008), customer participation (Bagozzi & Dholakia, 2006; Bendapudi & Leone, 2003; Chan, Yim,
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