Co-Creation and the Factors That Influence a Consumer’s Willingness to Co-Create Value

Portia Opoku Boadi, Jiangxi University of Science and Technology, Ganzhou, China
https://orcid.org/0000-0001-8520-9986

Yijun Liu, Jiangxi University of Science and Technology, Ganzhou, China
Ama Foriwaa Karikari, Valley View University, Oyibi, Ghana
https://orcid.org/0000-0002-3005-8954

Andrew Adjah Sai, Estonian Business School, Tallinn, Estonia

ABSTRACT

Co-creation has shifted from the traditional style of marketing, where companies see consumers as passive buyers and users, to the type where consumers are actively involved in product development as they buy and use the products they create. In this article, the authors emphasized that some factors which are the reasons why consumers of Starbucks engage in co-creation activities. Consequently, the primary purpose of this study was to find out what motivates a consumer to engage in co-creation activities. The hypotheses were tested using data collected from 250 experienced online consumers of Starbucks. The results showed that consumers are most willing to co-create when they benefit from the process of doing so and as a way of sharing their experience with others. Notwithstanding, they are very much concerned about how companies use their personal information.

KEYWORDS

Co-Creation, Empowerment, Online Platform, Starbucks, Value Creation, Willingness To Co-Create

1. INTRODUCTION

Before the concept of co-creation, the traditional way of marketing focused more on the company than on the consumer. Notably, consumers were only active participants at the “point of exchange” (Prahalad & Ramaswamy, 2004). The conventional approach was where firms were known to create value, put it on the market where the value will be exchanged in terms of goods and services made available to the consumer, as suggested by Prahalad and Ramaswamy (2004). Presently, consumers are more actively involved in the process of creating value since the traditional method of marketing is no longer active. With the introduction of co-creation, the firm and the consumer can interact based on value (Figure 2), and the consumer can create value based on previous experiences in using a product. Ergo, communication has become an essential tool to the extent that the more consumers interact with companies, the more value is created.

The creation of value is described by Grönroos and Voima (2013) as when consumers spawn “value-in-use”; in that case, co-creation becomes the mode of communication (Grönroos & Voima,
2013). The term co-creation has become very popular in recent literature and according to Sheth and Uslay (2007), as it plays a significant role when it comes to the angle of service in marketing (Sheth & Uslay, 2007). However, Grönroos and Voima (2013) assert that the subject has not been well scrutinized, and there is not enough rational understanding of the term co-creation. (Grönroos & Voima, 2013). For this paper, co-creation is defined as the process where consumers of Starbucks, in collaboration with the company, can contribute to the company in a way that gives equal value to both parties. In the process of co-creation, the consumer dominates and regulates how to create value and what value in itself should entail, and this standpoint of view is, according to Helkkula and co-workers (2012). By making this claim, Helkkula and co-workers argued that it is the consumer who controls value and how to create value as well (Helkkula, Kelleher, & Pihlström, 2012). In a similar scholarly study by Sawhney and co-workers, they discussed co-creation as a process where the consumers are expected to exhibit their ingenuity and add up their thinking artistry to solve a problem at hand. This implied that consumers play an active role in the process of co-creation in bringing up innovation (Sawhney, Verona, & Prandelli, 2005). If this is the case, then what will motivate a consumer to bring on ideas and inputs in order to create value? From recent literature, much has not been done about what conditions or circumstances influences a consumer’s willingness to co-create value.

In this study, factors that are critical in motivating a consumer to bring on ideas and inputs in order to create value will be evaluated. Mainly, Consumer experience, empowerment, security, and online platforms were considered as some of the main factors that will urge consumers to engage in co-creation activities. Ultimately, the study made on these factors influencing consumers’ willingness to co-create, will enhance the process where companies seek to fill in the lapses in terms of providing enough resources to consumers’ willingness to co-create as the benefit of co-creation is enormous to both the consumer and the company in terms of value creation. More often than not, most researchers who writes about customer co-creation focuses on the service industry such as aviation and so on. However, researching on Starbucks reflects the extent to which customer co-creation can go. In view of this, the research sets to answer the following questions:

1. What motivates customers of Starbucks to engage in co-creation activities?
2. How do consumers feel about releasing personal information on the website?
3. How do consumers of Starbucks enjoy value as a result of co-creation?

Studies have shown that co-creation goes hand-in-hand with motivation and benefits. Therefore, companies should be willing to offer customers something in order to get them participate in co-creation. The next session of this article reviews literature about the extent to which consumer co-creation and co-creation of value have digressed. Then discusses the methodology adopted in this paper. At the end of this article, the conclusions in terms of the theoretical and managerial implications of the research are outlined, which leads to recommendations for future research.

2. THEORETICAL BACKGROUND

2.1. Consumer Co-Creation

Recent literature on co-creation captures the term co-creation in different ways from the perspective of the firm. For instance Füller (2010) describes co-creation as one of a “virtual” nature (Füller, 2010), Ind & Coates (2013) calls it the “process of building brands together” (Ind & Coates, 2013) Desai in his research described co-creation as a tool for research (Desai, 2010). Others, like Ramaswamy (2011) and Rowley et al. (2007), both described co-creation in terms of “product development and Innovation” (Ramaswamy, 2011; Rowley, Kupiec-Teahan, & Leeming, 2007). In this regard, Grönroos and Voima (2013) emphasized the need for further research to construe the actual duty of the service provider and consumer in co-creation. Thus, their research focused on trying to spell out empirically
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