When Do Working Consumers Become Prosumers? Exploring Prosumer Characteristics for

Organizational Value Creation Strategies

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INTRODUCTION

Recent debates have outlined a substantial movement from an organizational dyad to a triad (Gabriel, Korczynski, & Rieder, 2015). The dominant organizational characters, namely the manager and the worker, behold a newcomer, the consumer. Thus, the sphere of consumption is modified and new terms emerge (Fontenelle, 2015). Concepts like the 'working consumer' (Cova, Dalli & Zwick, 2011), 'consum-actor', 'post-consumer' (Firat & Dholakia, 2006) or even 'prosumer' (Cova & Cova 2012; Ritzer & Jurgenson, 2010; Toffler 1980) are blurring the producer and consumer spheres (Cochoy, 2014), without significant delimitation between them.

Working consumers are consumers reconsidered as workers (Cova, Pace, & Skålén (2015), or even 'partial employees' (Mills & Morris, 1986), enrolled for their competencies, either intellectually or physically, with the final scope of consumer exploitation (Arvidsson, 2005). Even if Cochoy (2014) argues that the work of the consumer is not necessarily seen as a chore and depending on the context, it does not automatically transform him/her into a worker; the term 'working consumers' is often associated with self-service activities, where consumers work is needed at the end of the production chain.

Prosumers on the other hand, are seen not only as participants in the co-creation of value (providing work in the last stages of production) but active designers of product and service experiences (Chandler & Chen, 2015). Giannopoulou, Gryszkiewicz and Barlatier (2014) even argue that prosumer participation in the co-creation of value can change the structure and boundaries of service configuration and design. Pitt, Watson, Berthon, Wynn and Zinkhan (2006) and Xie, Bagozzi and Troye (2008) state the fact that prosumption is different than mere customer participation in firm service, delimiting working consumers from prosumers.

BACKGROUND

In the last decade there has been a growing academic interest in different forms of prosumer collaboration (Cova, Kozinets & Shankar, 2007). In practice, prosumers have been associated with value added activities in corporate environments or governmental spheres. Prosumers have the power to create value for themselves and for their peers, but especially for businesses in an open innovation approach

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(Chesbrough, 2003). Thus, they are becoming an extremely important external partner in delivering added value in a competitive environment. Kotler (1986) argues that managers together with marketing specialists should look for opportunities to facilitate prosumption activities. Companies are motivated to involve prosumers in product or service design at any stage due to several benefits: reduced risk and customer satisfaction (Cova et al., 2011), development of products that match and satisfy customers' needs (Enkel, Perez-Freije & Gassmann, 2005), the design, improvement and marketing promotion of new services (Sigala, 2012).

But we merely have some definitions and guidance for prosumer behavior. How can organizations increase their participation? Knowing prosumers' relevant characteristics will help managers engage them effectively in pursuit of the benefits listed above. In this line of reasoning, the present paper aims to provide a thorough conceptualization of prosumer characteristics in the co-creation context of organizational studies.

The present study seeks to understand how prosumers behave and what makes them co-create alongside companies. Denegri-Knott (2006) suggested that an increased control, information availability, aggregation and participation are triggering consumer power on the web. Gamble and Gilmore (2013) consider that co-creational marketing depends on the degree of consumer control and involvement. But studies of prosumer behaviour and triggering factors are scarce. Thus, our purpose is to uncover the characteristics which make consumers become prosumers and co-create valuable outcomes. With this purpose in mind we have developed the following research questions:

- What is the motivation for prosumption?
- What enables people to prosume?
- Which are the dominant prosumer characteristics companies must take into consideration when designing new co-creative strategies?

The research questions are designed to extend current theoretical frameworks using a theory building qualitative research approach with a high importance for management theory and practice. Because grounded theory (GT) is best used in the absence of hypotheses (Thornberg, 2012), the authors have chosen to use this approach to investigate the characteristics of prosumption.

The objective of this study is to advance the prosumer concept and the co-creational strategies as to enable managers to develop a prosumer-oriented relationship with their customers (Izvercian & Seran, 2013) in a natural pursuit of market position and marketing management advantages.

FOCUS OF THE ARTICLE

Grounded Theory Methodology – Prosumer Characteristics Analysis

Grounded theory (GT), originally developed by the sociologists Glaser and Strauss (1967) and defined as the discovery of theory from data, offers systematic and at the same time flexible guidelines for data collection and analysis to construct theories that consist of abstract conceptualizations of substantive problems that people experience. Accordingly, the present research proposes to identify and analyse prosumer abilities, scope and generic behaviour patterns to better understand the "why" and "how" prosumption takes place. 15 more pages are available in the full version of this document, which may be purchased using the "Add to Cart" button on the publisher's webpage: <u>www.igi-global.com/chapter/when-do-working-consumers-become-</u> prosumers/263689

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