The Factors Influencing Customer Co-Creation

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- A Multiple Case Study

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Nikhil Ramakrishna Reddy
Jawahar Baskaran
Abstract

**Introduction:** In today's business, organizations are working with external stakeholders to develop a better product. Customers are one such stakeholder with whom organizations collaborate to develop a product fulfilling their needs. This process of Co-Creation facilitates organizations to get closer to their customers. Also in the study made in the year 2016 for the 19th annual global CEO survey, 90% of the CEOs have claimed Customers to be their main priorities. Further in the literature has also debated the process of customer co-creation being complex and studies have been made to understand the Ups and Downs of the process.

**Problem Background:** Based on the opportunity in the field of Co-Creation growing rapidly and literature arguing on both Success and failure of the process, we in our thesis aim to address the gap of identifying the factors that influence the Customer Co-Creation Process.

**Purpose:** The Purpose of our thesis was to Identify the Factors for Organizations that Influence the process and suggest to imply those factors during the process of Co-Creation for a better result.

**Methodology:** To answer our research question we chose a qualitative approach by interviewing a total of 5 members from different organizations and different businesses in a semi-structured interview format. We chose to do research from both Customer and Organizational perspective, we formed 2 cases out of the 4 interviews and one as an expert in the field of New Product Development.

**Findings:** The main findings of our research shows 6 Main Influencing Factors and 12 Sub Factors within 6 main factors that enrich the process of co-creation. The factors are Communication (Feedback & Highlighting the need to Customer), Management (Environment, Relationship Management, Flexibility/Exploratory, Leadership, Rewards/Incentives, Selection of Customer), Transparency, Commitment & Trust (Secrecy Concern, Sharing of IP), Consistency, Training (Employee and Customer).

**Conclusions:** Our research shows the factors on the application during the co-creation process can influence the process to a better output. We have suggested the organizations in our Organizational Implications on how these factors can influence the process to a better output. Thus, answering our research question.

**Key Words:** Co-Creation, Co-Destruction, New Product Development, Factors, Customers, B2B B2C, Organization.
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List of Abbreviations

CEO - Chief Executive Officer

NPD - New Product Development

VOC - Voice Of Customer

DART - Dialogue, Access, Risk Assessment, Transparency

IP - Intellectual Property

UDI - User-Driven Innovation

SLR - Systematic Literature Review

B2B - Business To Business

B2C - Business To Customer
1. Introduction

This chapter aims to provide our problem background in order to have an understanding of our research. Then, we introduce our research question and the purpose of our study. This chapter ends with the focus areas and the main notions of our study.

1.1 Background

In the business world today, innovation seems to be a trump card for organizations to remain competitive. Increasing numbers of organizations are driving an innovative organization to look at new views and practices by developing a new strategy. Innovative organizations are more aimed at gaining advantages compared to less innovative organizations. As an innovative organization, it can increase its revenues, gain market share and achieve greater competitive market leadership, involving its customers in achieving its goals (Forrester, 2014).

In a 2016 study for the 19th annual Global CEO survey, 90% of CEOs prefer customers as their main priorities, and 27% of these CEOs believe that their customers are looking for a relationship with organizations that address vast stakeholder needs. This figure is presumed to be 44% in five years (PWC, 2016). The above statistics show clearly that today seek a better customer relationship, so that understanding and addressing customer needs are essential for the growth of their business.

There is an increasing demand for several different products and services in today's global market and competitive business environment, for which the organizations must be equally highly innovative. In order to be an innovative organization, information is most important in order to compete in the market (Yusuf, 2009). Organizations always require two types of information: Solution information those are information about possible solutions and Need information is towards customers and the market (Piller et al. 2010). Organizations consider the acquisition of knowledge to be their most important tool to gain knowledge that an organization needs to interact with different external sources, giving them the knowledge, they lack internally. In the past, many types of research have shown the importance of interacting with external sources leading to better innovation. Further, it is not just knowledge from external sources that leads to better innovations, but also the internal capacity to perform and accept knowledge shared from various external sources (Piller et al 2010).

As the epicenter of value creation, this innovation process that integrates the interaction between an organization and an external knowledge provider. In addition, this collaboration with the
customer will be a lever for Organizations to reduce uncertainty concerning both the acquisition of the requirements and the acquisition of information solutions (Piller et al, 2010).

The way Organizations perceive their customers has shifted from passive to active in the innovative process over the years (Prahalad and Ramaswamy, 2004). For this reason, we can see a shift from market orientation to customer-centricity in the literature. Indeed, decades ago, according to the literature the customers were in the market segment, and Organizations were seeking to meet customer needs for profit (Narver & Slater, 1990). This notion was replaced by customer orientation by creating higher customer value with a priority for the interests of the customer (Piller et al. 2010). Recently, the focus of customer service to create a unique value was replaced with customer-centricity (Sheth et al., 2000). As a result of these changes, the research literature on the customer's role in the innovation process has evolved. The role of customers within the creation of value has increased considerably in the past decades and has become essential for the Organization (Krishna et al., 2013). Customers are now more educated and informed. They are therefore more rigorous with regard to their needs. Due to the wide choice, customers are also not stable in loyalty (Vega-Vazquez et al., 2013). When it comes to the innovation process, customers can play a different role. Some customers have more willingness to evaluate innovative concepts or prototypes, some can give information such as need information or solution information (Piller et al., 2010). As a result, Organizations change their perception in the direction of customer role, their evolution, and loyalty, which leads to an overhaul of their innovation process. Therefore, it is important that the Organization acquires knowledge from external sources, in particular customers, to produce products that satisfy their needs.

This shift from consumer role to "co-creation" during the innovation process. Several authors with different terms as a paradigm for co-creation (Prahalad & Ramaswamy, 2004; O'Hern & Rindfleisch, 2015), Co-creation process (Prahalad & Ramaswamy, 2004, Piller et al, 2010), co-creation model or co-creation design (European commission, 2014). The meaning of the definition has, however, remained unchanged since, to co-create value, Prahalad & Ramaswamy (2004) defined it as the interaction between Organizations and consumers. In addition, the discussion will examine the importance of Organizations taking the context and involving customers to co-create product experience and to produce a unique co-created value (Prahalad & Ramaswamy, 2004). These experiences occur during the co-creation process where the quality of customer-to-Organization interacts can lead to a rich relationship and have a positive effect on the customer's co-creation experience customer (Prahalad & Ramaswamy, 2004). Ind & Coates (2013) discuss these interactions, which emphasize these exchanges as social, creating common significance between them. This leads the customers to be “connected, informed and active" (Prahalad & Ramaswamy, 2004).
The process of co-creation can be defined as "an active, creative and social process based on the collaboration among producers and users initiated by the Organization to generate value for the customer" (Piller et al, 2010).

Based on open innovation (i.e. the use of internal and external ideas to accelerate internal innovation) (Van Leen & Lubben, 2013), co-creation design by Organizations is seen as the process by which new products and services can be developed, to attain competitive advantages, new customers and market share can be improved (European Commission, 2014). The process of co-creation is implemented by means of numerous tools where Organizations and customers interact to understand needs and expectations. By building communities, the Internet has improved communication between businesses and customers (European Commission, 2014).

According to Hoyer et al., (2010), the process of co-creation leads to positive results for customers and Organizations so that when successfully completed, the Organization has a competitive advantage. The organization can increase its efficiency and productivity while improving customer efficiency since the co-created products meet their expectations. Customer-related, co-creation enables the Organization to improve relationships with its customers by offering them their satisfaction (Hoyer et al, 2010).

Organizations can adapt to the co-creation process by empowering customers to develop innovative products adapting to new product development. Nowadays, product innovation is seen as the main driver for corporate growth and prosperity in an organization and appears to be paramount for survival (Cooper, 2013).

O'Hern and Rindfleisch (2015) define customer co-creation as a collaborative activity in which customers are actively involved in the process of New Product Development. The improvement of technology facilitates the empowerment of the customer in NPD activities. The Internet, for example, allows Organizations to reach and communicate with their customers. Co-creation is, therefore, a process between people and enterprises, in which ideas flow through social interactions (O'Hern et Rindfleisch, 2015; Hoyer et al, 2010).

As mentioned above, the co-creation process underlines the relationship between an organization and its customers, with the objective of increasing value creation and customer satisfaction. Interactions and openness in which knowledge is shared in order to enhance innovation determine the relationship (Caloghirou et al., 2004). Moreover, Morgan & Hunt (1994) theorize the concept of relationships, arguing that the idea of trust and commitment should be integrated. In the course of this co-creation, trust is established through an equal dialog aiming to build bonds that require transparency and risk sharing, while the customer's commitment is developed through participation in an Organization (Randall et al. 2011). In order to ensure a good relationship and high customer satisfaction, the notion of customer confidence and commitment
must be considered. If trust, commitment, and satisfaction of three variables are met efficiently, the customer's future intention will be to continue the relationship (Randall et al., 2011). The overall positive effects of the co-creation process on customer satisfaction are discussed by Vargo and Lusch (2004). This relationship creates a link between the mutual benefits of an emotional attachment between both the Organization and the customers (Randall et al., 2011).

Many authors such as Prahalad & Ramaswamy (2004), Ind & Coates (2013) and Hoyer et al. (2010) recently discussed the co-creation process, acknowledging the different prospects for Organizations and consumers, underlining the benefits for both parties. The benefits of the co-creation, such as satisfaction, the creation of value or even the sharing of knowledge, stem from a positive relationship between the Organization and its customers. Piller et al. (2010) however concluded their research by arguing that co-creation could in the future be more complex. Some authors (Plé & Chumpitaz Caceres, 2010; Echeverri & Skalen, 2011; Smith, 2013) began to discuss the possibility of collaborative co-creation or co-destruction value process. Recently, the activities of co-creation are booming, and Organizations are increasingly engaged in this process so that they can look at the potential negative consequences. Authors believe that customers could become scarce good and that is why Organizations will have to compete to get customers involved in their process of co-creation (Piller et al, 2010).

The pioneers in developing the concept of codestruction are Plé & Chumpitaz Cáceres (2010). They conceptualize the process and identify it as a decline in the well-being of a processing system caused by accidental or deliberate misuse by the Organization or its customers. This conceptual paper is followed by discussion among other authors of value creation in practice, which can lead to co-creation or value codestruction (Echeverri & Skalen 2011). This term was also vaguely discussed in order to conclude an article by Krishna et al. (2013). Furthermore, a search was carried out which analyzed further the phenomenon of the customer co-destruction process (Smith 2013). The impact of customer experience is reported in this study. Gebauer et al. (2013) discuss the effects of bad online community co-creation experiences. This article could be linked to a recent study on the "dark side of the process of co-creation" within the service industries. Authors (Heidenreich et al., 2015) report on the impact on customer reactions of a failed co-creation while exploring the benefits of service recovery (Heidenreich et al., 2015). In fact, the two articles (Gebauer et al., 2013; Heidenreich et al., 2015) discuss customer responses perceived through the feeling of unhappiness and self-culpability in the absence of a co-creation process. As customer satisfaction offers great advantages, this satisfaction was highlighted by the implementation of service recovery (Heidenreich et al., 2015).

Hoyer et al (2010) emphasized the limited research conducted in this field of study, claiming the lack of research and ignorance concerning customer relations during the new product development process. Ostrom et al (2015) also underline the need to cover this field to highlight
that an understanding of the negative impact of value co-creation is one of the top three research priorities in terms of value-creation.

We are therefore identifying the factors that can be considered during the process that enriches the process and make the process successful. As mentioned earlier, few research & literature discuss the failures and successes of the process. With our research we would help to broaden the existing literature on co-creation by adding factors and their influences on the process and also describe how and why do they influence the process.

1.2 Research Purpose

The main purpose of our research/thesis is to identify and understand the factors that Influence the Co-Creation Process during new product development and their effects on the Co-Creation. Knowing the advantages of co-creation that are provided to an organization and the customers, we do think it is important to have knowledge of the factors that influence the process and their effects on this process during the New Product Development. Since there are research and literature in the field of Co-creation and about its failures and Successes also there are a few factors in the existing literature with respect to a Particular Business or Industry. We want to fill the literature gap by considering a multiple case study with various industries and businesses and find out the common and basic factors that can influence the process of co-creation.

1.3 Research Question

“Which are the Pragmatic Factors that Influence Customer Co-Creation process During New Product Development? Why and How do those Factors Influence?”

This research question aims to identify and explore the factors that Influence a Customer Co-Creation Process during the development of a new product Thus, we want to know what are those factors in the practical environment that occurs in the Co-Creation process between the customer and the firm and affect these variables during new product development.
2. Theoretical Framework

This section we showcase the theoretical framework that defines the various concepts that support the research question. This theoretical framework describes Innovation its definition, how innovations happen, various innovation strategies later we explain the User-Driven Approach, types of users for an organization, intermediate users, consumer users, then discuss lead users and their effectiveness in New Product Development. New product development and its various stages are later discussed and then we tie together the user's impact in various stages of New Product Development and we compare these theoretical framed discussions on empirical data.

2.1 New Product Development

The new product development is based on how to discipline management takes place through the development of new products, which are developed with a view to the topic of new product development. The production manager will, therefore, focus on developing a product from a production perspective and on how we can manufacture the product efficiently. The marketing department will also be more interested in how to meet customer needs (Trott, P. (2017).

2.2 NPD Model

In today's ever-changing and challenging business environment, organizations must compete to implement new strategies in which innovation is used to meet their customer’s needs. Building innovation into organizations will lead to new products being developed in a competitive marketplace. According to Filieri (2013), an effective and constant innovation leads to a sustainable competitive advantage and is achieved in new product development processes at several stages (Tzokas et al., 2003; Sawhney et al, 2005). We thus believe that the development of new products is both a major competitive source of advantages (Bessant & Francis, 1999; Tzokas et al, 2003; Fang et al, 2008; Fuchs & Schreier, 2011), of corporate prosperity (Cooper, 2001), of corporate growth (O’hern and Rindfleisch, 2015; Barczak & Kahn, 2012), profitability (O’hern and Rindfleisch, 2015), and market leadership and healthy market share (Barczak & Kahn, 2012).

By launching new products, organizations attempt to bring new product features like new and higher quality benefits (Cooper, 2013; Bessant & Francis, 1997), corresponding to a uniquely superior product (Cooper, 2001), and improve customer response, response rate and customization (Bessant & Francis, 1997). The aim is to provide solutions that meet customer
needs and wants (Von Hippel, 2005). Therefore, not every new product on the market succeeds and does not captivate the interests of customers. Indeed, Joshi & Sharma (2004) argue that the majority of the time new products fail to meet customer’s requirements because organizations do not understand the needs of customers (Von Hippel (2005)).

Traditionally, new product development is described as an internal activity within the organization in which customers are perceived as passive to buy or use the product (O’hern and Rindfleisch, 2015; Fuchs & Schreier, 2011). In this model, the organization takes responsibility for deciding whether to launch a product and controls the process (Fuchs & Schreier, 2011). This model is a corporate focusing activity with an information stream from the customer to the organization in one direction (Sawhney et al., 2005) and where ideas mainly come from internal sources (Filieri, 2013). A traditionally develops a new product through market orientation (Cooper, 2013). The organization seeks to understand and discover the needs of its customers in order to generate products built in the voice of customers with responsive market orientation (Kristensson et al., 2008).

To enable the organization to innovate and launch new successful products, it is important that it considers customer expectations (Joshi & Sharma, 2004), skills and knowledge available (Bessant & Francis, 1997), competitive environment and the market nature (Cooper, 2013).

Cooper developed the NPD Stage-Gate process in 2001 with a view to accommodate traditional new product development through the application of a multi-stage system that enables organizations to achieve successful new products. Each phase aims to gather information necessary to move towards the next gate, which is defined as a decision point where information is controlled according to quality criteria. In order to quickly and easily launch successful products, it is recommended that all the stages such as Discovery (Ideas Generation), Scoping, Business Case, Development, Testing & Validation and Launch be followed. Ideas Generation reflects the possibilities and the development of ideas. Scoping then enables the Organization to define the project in terms of technical resources and market requirements. Build the business case represents a thorough project description in the analysis of the market, the competitors and the expectations of customers. In terms of physical development, the development represents the design of the new product. Testing and validating enable the Organization to verify the characteristics, marketing, and production of the product. The final stage is Launch, which means the launch of the new product. Following this stage is the post-launch review, which matches up and fixes the products in relation to the feedback of the customers (Cooper, 2001).

To get the perspective of the customer and their wants, needs, and problems, it is important to learn about the users. It enables the Organization to create a superior product that gives the customer greater value. It, therefore, leads to the creation of the product in Voice of Customer (VoC) (Cooper, 2001). The VOC enables the Organization to collect customer information and
identify customer needs and wants (Cooper, 2001; Fuchs & Schreier, 2011). In order to develop a new product, different market research techniques are used to requested customer feedback. The VOC can be implemented according to the NPD stages in many ways. In fact, certain market research techniques, such as a focus group, customer surveys, in-depth interviews, user needs and quantitative techniques, can be conducted with the goal of designing the VoC-built product (Sawhney et al., 2005; Cooper, 2001; Cooper, 2013; Witell et al., 2011). These market research techniques are aimed at obtaining information and getting to know customers, competitors and the market environment (Kahn et al., 2006).

Therefore, it is essential for an organization to build its product through VoC in order to align its products with market trends and find new possibilities (Cooper, 2001). We believe that VoC does not always lead to a successful product, but it contributes greatly. In order to assess the product's weaknesses of the competitors, the VoC must be supplemented with other analyses such as competitive product analysis. However, using these traditional techniques leads the organization to a limited understanding of the expectations of its customers (Sawhney et al, 2005). In fact, the techniques employed by organizations to measure the wishes of the customer give feedback on their experiences with the product and therefore belong to a context. It would then seem important to go beyond VoC and to create a new product that meets the needs of the customer (Sawhney et al, 2005).

Therefore, it can be noted in the literature that questions arose about market research techniques and the traditional closed NPD process (Wittel et al., 2011). Chesbrough (2003) discusses the limited internal innovative resources within the Organization. He argues about the new way to gain knowledge by incorporating external knowledge, technology, and information sources into the NDP process to discover new business opportunities. This leads us, therefore, to talk about open innovation described as "the use of purposive inflows and outflows for accelerating internal innovation and expanding the external use market for innovation" (Chesbrough, 2003b).

Open innovation is made easier by using certain tools like licensing, alliances and acquisitions, enterprise (indirect investments or shareholders). However, it requires a share of knowledge and information among the parties involved (Van Leen & Lubben, 2013). Piller et al. (2010) supporting Chesbrough's view that open innovation is a formal discipline and practice for leveraging the discoveries of unprecedented others as an input to innovation by formal and informal connections, thus involving the customer in his capacity as an external NPD participant which seems to be an unobvious and informal source for innovation (Piller et al., 2010) We believe that open innovation is a new trend where customers become an integral part of NPD and talk about the process of co-creation.
2.3 NPD Model with Customer Involvement

In the literature, there is an increasing need to get superior inputs for products by customers from a closed NPD with a passive customer to an active customer (Prahalad & Ramaswamy, 2004). Thus, customers want control over NPD activities. Furthermore, cultural motivations seem to motivate the customer to participate in NPD activities. Indeed, people don't always trust marketing communications about a product and don't believe in all of its features. With this participation, customers are more prepared to trust the Organization and its communication of products (O'hern and Rindfleisch, 2015). The results of this NPD assessment change and develop the role of customers in NPD activities. It has moved to a connected, informed and active consumer from an isolated, unaware passive consumer where information flows between the two (Prahalad & Ramaswamy, 2004). Organizations start to alter their views and view customers as a source of knowledge, skills, and competence (Prahalad and Ramaswamy, 2004).

Improving access to information has highlighted the evolving role of the customer in NPD. In fact, technology improvement and internet growth have allowed customer presence and activity in the NPD (O'hern and Rindfleisch, 2015). Concerning the traditional NPD model, Organizations felt that customers lacked the skills and abilities to be incorporated into the NPD. Online access and dissemination of knowledge are facilitated, and customers can participate in creative projects. Indeed, individuals who share common interests can be connected via the Internet (Von Hippel, 2005). The communities generate a knowledge flow, which enables people to learn and teach with others. (O'hern and Rindfleisch, 2015) The interactions between people tend to be more customer-to-firm and customer-to-customer today. Consequently, communication paths have moved from one direction to an interactive dialog (Sawhney et al, 2005). As a benefit to the Organization, there are high numbers of connected persons, allowing Organizations to reach more than their own clients. You can reach third parties, such as non-customers, customers of competitors or potential customers. In order to reach customers at the lowest costs and faster than traditional market research techniques in addition to the highest size and scope (O'hern & Rindfleisch 2015; Filieri, 2013). The Internet was, therefore, a driver for shifts in the position of the customer in NPD which caused a shift in communication. By engaging with customers, Organizations can work on the flow of online knowledge and select lead users directly without restrictions (O'hern & Rindfleisch, 2015). Indeed, collaborating with lead users seems more relevant than "average" users, and it seems more relevant to avoid the limits (e.g. geography, market boundaries) that traditional techniques may have (Ind & Coates 2013). So, Organizations can use the Internet as a research source to produce new products and understand the perspective of their customers. You can reach people through online surveys, in which individuals choose or do not respond deliberately, leading to more honest and genuine
answers. In exchange, people provide their ideas and feedback to Organizations and even choose an innovative approach (Filieri, 2013).

Diverse terms such as "customer involvement" (Brockhoff, 2003), "customer participation" (Fang et al, 2008), "customer engagement" (Jaakkola & Alexander, 2014), "customer empowerment" (Füller et al, 2010; Hoyer et al, 2010, Fuchs & Schreier, 2011) are presented as the result of customer engagement in NPD. We have noticed that these terms have not always been related to "co-creation." The role of the authorized customer in NPD described by Fuchs & Schreier (2011) is, however, comparable to that defined by O'hern & Rindfleisch (2015). We, therefore, think that in our research, we can collect these terms to discuss current literature in detail.

2.4 Co-Creation

The method of co-creation influenced the field of marketing in highlighting the move from excellent dominant logic to service-dominant logic (as in traditional innovation). Indeed, consumers and customers are viewed as operating assets with knowledge and skills in the service dominant logic. The connection between the Organization and the customer is therefore seen as an exchange of knowledge and skills and or services in which a value is co-created (Vargo & Lusch, 2004). Von Hippel (2005) describes client value as "sticky information" by underlining the expenses and the difficulty in transferring the data tacitly from one location to another. Consequently, it was previously hard for Organizations to build customer experience because they could not comprehend the significance of the customer.

However, Organizations have begun to change their views on customers and their abilities to provide knowledge and skills and now treat the customer as a whole of NPD. Indeed, interacting with customers with co-creative market research techniques, such as over the Internet, has been demonstrated to allow Organizations to discover new opportunities (Witell et al., 2011). In addition, Narver et al. (2004) differentiate between a responsive market direction and a proactive market orientation. In fact, the Organization seeks to discover and understand the needs and wants of its customers in the closed NPD and to create new products that are built into VoC to meet their expectations. The proactive market orientation of Organizations which want to be "customer-driven" is highlighted and represented in the co-creation process, by assessing customer’s latent needs and discovering new opportunities throughout the market place, important for developing successful products (Narver et al., 2004; Salomo et al., 2003). By focusing on the proactive market, the Organization is going closer to its lead users through market testing (Witell et al., 2011). This approach is intended to gain important information about spoken and unspoken needs. The latter is defined as a customer’s latent needs and is
difficult for an Organization to identify. Finding out these latent needs requires the Organization to work with lead users to capture them and to understand them better (Kristensson et al., 2008).

Furthermore, Wittel et al. (2011) distinguish between co-creation for others and co-creation for use. A certain customer co-creates for use in order to benefit himself or herself while co-creating for others gathers all clients with the aim of generating ideas and sharing knowledge while participating in NPD. The customers provide information on their own needs in this co-creation process and suggest ideas to solve them (Wittel et al. 2011). In our study, we focus on the co-creation defined as for others the most appropriate in NPD by Wittel et al. (2011).

In a proactive market orientation, Organizations use methods such as the lead user method to obtain information that customers have already connected to the value in use. The organization is ready to offer an offer corresponding to the customer's latent needs by incorporating the knowledge within a specific context of use (Wittel et al. 2011). Prahalad & Ramaswamy (2004) emphasizes the significance of the co-creation experience with this idea. This experience is based on the co-created value that the product brings and not only the product characteristics that the Organization provides when traditional purchased (Prahalad and Ramaswamy 2004).

From a global perspective, co-creative experience emerges from the building blocks of the process of co-creation, which refer to the DART framework, such as dialogue, access, risk assessment, and transparency. Dialogue is characterized by customer and Organization interactions. It enables a deeper understanding of customer needs by listening to them and recognizing their different emotional, social and cultural contexts. Dialog calls for a certain level of communication of one's interests and for the exchange of knowledge so that the other part can learn. This creates a trustworthy community (Prahalad & Ramaswamy, 2004). Access results in the use of information and tools such as data access on the manufacturing process, design or quality processes. Customers are aware of the value chain that is evolving in comparison with the traditional way that Organizations control it. The risk assessment considers the concept of risk and the probability of harming the customer. Risk assessment is a complex business task.

Through active communication with customers on risks and advantages, the Organization can enhance customer awareness, resulting in an increased level of customer trust (Prahalad & Ramaswamy, 2004). Prahalad & Ramaswamy (2004) says customers are looking for greater Organization transparency. Von Hippel (2005) talks about the concept of asymmetry in information derived from the differences between information held by and held by the Organization. By giving customers complete information, we believe this asymmetry can decrease

As mentioned, the experience of the consumer goes beyond the characteristics of the product in order to achieve rich experience, not only the concept of "feature-rich" in the product. To create this experience, it is important for DART blocks to be implemented and for choices to be made
during consumer-Organization interactions. First, Prahalad & Ramaswamy (2004) describes the need for consumers to be able to interact with the Organization as they wish, which means that they must be present on several channels so that a certain quality of experience can be provided. Then, because its value varies from person to person, it is important for the enterprise to provide them with a certain amount of availability and affordability and to offer them several options so that consumers weigh the choices they have and choose their most valuable. Third, the consumer is looking for a simple experience in the transaction. They want to interact with the Organization in fact, but for them in a safe and easy way. It seems, therefore, better to be able to interact in their own language, for example, to take time and feel safe, or even to emphasize the privacy of the interaction. The transactional efficiency could lead the consumer to a feeling of trust and thus a satisfactory experience for the Organization (Prahalad & Ramaswamy, 2004). Finally, the price remains a factor in individual choices, but the importance of this factor depends on one person to another. However, customers prefer a product they are prepared to pay for. The Organization should, therefore, consider the price/experience relationship when it co-creates value with the customer (Prahalad & Ramaswamy, 2004).

Authors (Prahalad & Ramaswamy, 2004; Wittel et al., 2011; Gustafsson et al., 2012) discuss the importance of having an interactive dialogue between customers and the Organization to learn, to understand and to distribute the needs of customers. The process of co-creation leads to "a two-way, face to face, active communication" (Gustafsson et al., 2012). This emphasizes the importance of customer communities in creating an experiential environment. Prahalad & Ramaswamy (2004) therefore states that the experience needs to be encouraged to take the levers into account to create a rich experience. Traditionally, the NPD provides a better product as regards cost, quality, speed and modularity, whereas innovation is intended to achieve an environment of experience through the implementation of granularity (i.e. interactivity), extensibility (i.e. technologies), connectivity (i.e. connectivity) and evolvability (i.e. learning) (Prahalad and Ramaswamy, 2004). These dimensions have been confirmed by Verleye (2015) that the experience depends on the characteristics of the co-creative environment like technology (i.e. access to online co-creation tools) and connectivity (i.e. access to assistance from others), while adding the significance of the individual characteristics. It promotes the fact that individual features, such as the anticipated advantages to customers and the willingness of the customers influence co-creational experience (Verleye, 2015). Furthermore, Ind et al. (2013) discuss the need for a successful co-creation setting that results in social and exploratory discussions between people with common interests.

Payne et al. (2009) talked about the co-creating experience of separating the creation process of customer value (i.e. activities where the customer seeks a purpose), the process for creating value for the supplier (i.e. co-creating opportunities), and the meeting (i.e. interactions between Organizations and customer). The creation of customer value concerns two perspectives: the information process and the experiential process, which emphasize the importance of
communities. The experience is described as important because it encourages customers to participate in the process of co-creation. The supplier value creation process is then characterized by the challenge of providing customer satisfaction experience. Organizations must, therefore, take the VoC fully into account (Payne et al., 2009).

2.4.1 Customer Co-Creation

Fuchs & Schreier (2011) describes the role of the empowered customer in the NPD in two respects. According to these authors, Organizations involve customers in NPD because (1) customers are willing to develop new ideas for new products and (2) can choose the product so that the Organization can market them. O'hern & Rindfleisch (2015) is developing, with this idea, the concept of customer co-creation, where they can contribute new ideas and choose which ideas should be achieved.

Co-creation of the customer in NPD is described as a cooperative NPD activity, with customers contributing actively to a new product offering (O'hern & Rindfleisch, 2015). On the other side, Piller et al. (2010) relate customer Co-Creation to the whole Product development process, he says Customer Co-Creation is such a process that encourages a social Collaboration between an organization and its customers as an active and creative collaboration. It seeks to create new ideas than the smaller customers surveyed by traditional market study methods (Witell et al., 2011) and also to differentiate good from bad ideas (Filieri, 2013). Customers are therefore prepared to vote for the products that could best be suited for the markets and therefore be effective on the market.

The Organization gives customers the freedom to learn more about the needs of its customers and introduce innovative solutions while providing customers with valuable ideas on their requirements and desires. This makes it possible for the Organization to give priority to an idea compared with others and thus to reduce risk, ambiguity, and uncertainty (Filieri, 2013). The product that results from customer-Organization collaboration gives a co-created value. This enables Organizations to deliver a successful product that is more responsive to customers (Witell et al., 2011).

2.4.2 Successful Co-Creation

From an organizational point of view, the involvement of customers in NPD results in many positive results for the Organization. In fact, Organizations communicate on two sides with customers, where customers supply the Organization with information and knowledge. This communication aims at a flow of information, knowledge, and skills between the two parts. In fact, for instance by engaging lead users in NPD phases results in developing more relevant and usable products (Ind & Coates, 2013), the successful products (Brockhoff, 2003; Prahalad &
Ramaswamy, 2004), the reduction of the risk of failing (Ind & Coates, 2013; Hoyer et al.; 2010) and the minimum cost of product development (Hoyer et al, 2010) when letting the Organization to gain effectiveness and efficiency (fang et al., 2008) as the end product match with customer requirements.

In addition, the organization can launch a product that is more acceptable and appreciable for the customers in accordance with its customer expectations (Joshi & Sharma 2004). In addition, by providing consumers with greater value and adding more communication, the co-creation method can enhance customer-Organization relationships (Hoyer et al, 2010). Communication can indeed lead to greater transparency and, consequently, to a more robust partnership (Filieri, 2013; Fang et al, 2008) that leads to gain trust (Filieri, 2013; Ind et al. 2013) and encourages loyalty to the brand (Cossio Silva, 2016; Sawhney et al., 2005; Sheth et al., 2000).

In an existing customer point of view, authors (Etgar, 2008; Nambisan & Baron, 2009; Hoyer et al, 2010) have noticed different motivations for their customers to support their actions in the co-creation process. The literature emphasizes that these reasons lead to different customer expectations. In fact, Hoyer et al (2010) distinguish between different motives of participation according to NPD levels. Nambisan & Baron (2009) states that customer motives lead to hedonistic benefits, cognitive or learning benefits. In line with this idea, Füller (2010) defines the intrinsic motive (e.g. curiosity, intrinsic play task) for participating in co-creative activities and the extrinsic motive (e.g. financial reward, personal needs). We believe that these motives are related to the various advantages described by Nambisan & Baron (2009).

Moreover, Etgar (2008) brings together three categories of advantages: economic benefits (e.g., reduction of cost), social benefit, and psychotherapy (e.g. fun, ethics, self-expression). Verleye (2015) confirms the previous literature by concluding five various benefits, such as hedonic benefits (i.e. pleasure experience), cognitive benefits (i.e. learning), social benefit (i.e. connectivity), personal benefits (i.e. improved status and recognition), practical benefits (i.e. customer-savvy products), and financial benefits (i.e. compensation). The customer then sees the experience of the extent to which the expected benefits are realized (Verleye, 2015). The achievement of the expected benefits, therefore, leads to a positive consumer experience. Authors have emphasized the importance of psychological advantages (Füller, 2010; Hoyer et al, 2010; Nambisan and Baron, 2009) in the literature as a motive to cooperate with a brand. In addition, a greater commitment and loyalty to the brand are generated by membership in a community (Sawhney et al, 2005). As a result, customer satisfaction is generally increased through participation in the co-creation process (Hsieh & Chang, 2016).
2.4.3 Unsuccessful Co-Creation (Failed Co-Creation)

As already mentioned, the co-creation process aims to benefit the Organization and the customer. However, Prahalad & Ramaswamy (2004) points out that not all experience of co-creation leads to positive results. The co-creation process can sometimes be poorly managed and damaging for the relationship between Participants. Few studies were carried out on the failures of the co-creation process.

Furthermore, few authors identify the term "co-destruction". We, therefore, think that our research should focus on the factors that can influence a Co-creation process.

Studies have also begun in the literature with Plé and Chumpitaz Caceres (2010), who discusses there is an equal opportunity for a value to be co-created and also co destroyed. This term of the value destroyed in the process of co-creation is termed ‘Co-Destruction’. Plé and Chumpitaz Caceres (2010) further defines ‘co-destruction’ as a process between two or more participants resulting in rejection within the system. It gives an overview of the nature of the process of co-destruction that takes place in a service-dominating logic when one of its parties failed to make adequate and expected use of resources for the other part (Plé and Chumpitaz Caceres, 2010). They indicate that the process of co-destruction outcomes from misuse of accessible resources. They differentiate precisely two kinds of misuses; accidental and intentional. Absence of customer’s understanding and knowledge of the NPD, or development of an incremental innovation when disruptive innovation is designed or the presence of information asymmetry between the service structures concerned can be illustrated as an accident (Plé and Chumpitaz Caceres, 2010). Intentional misuse leads to a willingness to improve one service system’s well-being at the expense of another (Plé and Chumpitaz Caceres, 2010).

Echeverri and Skalén (2011) discuss interactive value formation in practice, in accordance with these previous authors. The authors thereby confirm, by identifying co-destructive values in practice, the process that Plé and Chumpitaz Caceres (2010) described (Echeverri and Skalén, 2011). Their article reports various practices of interaction value such as informing, greeting, delivery, charging and assistance. Value can be jointly destroyed during these interactions if incompatible practical elements such as procedure, understanding, and engagement between customers and suppliers occur during these interactions (Echeverri and Skalén, 2011).

In contrast, Gebauer et al (2013) performed two internet study sites and highlighted disputes during a co-creation campaign. They discovered several reasons for this, such as discontent and deception with the results of the joint project, which lead to a sense of unfairness and absence of transparency. Your respondents with an adverse experience of co-creation had emotional emotions like anger or frustration. They recommend the implementation of a wealthy and
interactive dialogue in order to comprehend the views of respondents and to know their unspoken assumptions that prevent commitment and satisfaction (Gebauer et al 2013).

In addition, Smith (2013) discusses the view of customers in the co-destruction process, which means that the expected value is not co-created. This leads to an unexpected waste of resources in material resources, resources, and energy (i.e. money, time, knowledge, physical and emotional resources) (Smith, 2013). The unexpected loss of resources has an impact on customer’s behavior and emotions. The relationship advantages (i.e. trust) were reported to be affected as well. Heidenreich et al. (2015) carried out a study on the service industries in the same way. This qualitative study shows the difference between customer expectations and the actual results, which results in a negative breakdown that is affecting customer satisfaction (Heidenreich et al., 2015).

2.4.4 Factors

Factors as defined by (Walker, 2012) as that which influences any process and has to be assessed accordingly to gain its effects. Factors also have the ability to influence the process or activity and have a well-defined nature (Wong, 2000).

Based on the definition and the characteristics of Factor discussed we have literature that discusses on few factors of co-creation. In a literature by (Hoyer et al (2010)) has identified Financial, Social, Technological factors that can influence the co-creation process. Where, financial factors concerns about profit sharing and receiving of IP, Social factors concerns about social benefits like recognition to the contribution of a participant, Technological factors concerns about Knowledge and Learning related to products and services.

Also, (Mattessich et al (1992)) has also identified a few other factors which can influence the co-creation process. The factors discussed by the authors are Membership, Process, Purpose, and Resources. Here according to the author Membership concerns about the participants in the process and their characteristics like respect, understanding, and cooperation, Process concerns about the Structure of the Process, Purpose concerns about the shared vision and goals, Resources concerns about funds and skills of the participants. Cramton (2002) adds Mutual Knowledge to the influencing factors of co-creation concerning setting up the common ground to share information.

Aarikka-Stenroos and Jaakkola (2012) add Expert Knowledge to the Influencing factors concerning the special skill set required for the process by all the participants. Fuller (2010) adds on Domain-Specific Skills concerning previous experience in the innovation process.
Further to the factors from the existing literature mentioned above, we in our research are researching for a few other factors that add to the existing literature that influences the Process of Customer Co-Creation.
3. Methodology

In this section Methodology, we have discussed the background process that we have done in our thesis such as Research Process, Methodological Choice, Research Approach, Research Choice of our research work which has lead to this research followed by the Data collection Procedure (Primary & Secondary) included with Interviewing procedure which is later followed by Data Analysis and then the Research Design.

3.1 Research Process

The very first step towards our Master thesis was that we had to derive a research question or a tentative research field that was in the current trend amongst the industries. ‘Necessity is the mother of innovation’ an English proverb that means innovation is an action to the need of change, basically analyzed form the past most of the main or important invention or innovation are due to the very basic needs of food, shelter, and clothing. ‘Innovation’ as it is, is a wide area to conduct research on we decided to narrow our research down to only one approach in Innovation Process i.e., ‘The User-Driven Innovation(UDI). Later we decided to make a research question around the impact that a User could create in the process of ‘New Product Development(NPD).

Initially, we had to perform a Systematic Literature Review (SLR), this was to learn and collect the various literature work conducted by various authors and researchers in the field over the years. By this, we identified various literature and researches conducted in this field that helped us theoretically understand the area of our research. SLR was conducted around Co-Creation and New Product development processes. In the process of SLR we came across many Course books on New Product Development, Innovation Process and Innovation Management “Managing Innovation Integrating technological, market, and Organizational change - Joe Tidd and John Bessant”, “Innovation Management and New Product Development - Paul Trott”, “The Sources of Innovation - Eric von Hippel”, “Innovation Studies Evolution & Future Challenges - Jan Fageberg, Ben R Martin and Esben Sloth Andersen” these books helped us gain the initial momentum towards our research question.

For our SLR we used a few renowned electronic databases for literature relevant to our research question. Electronic Databases that were considered for literature search were, Proquest, Science Direct, Scopus, Google Scholar, and Halmstad University Library Database. Initial searches included of “Innovation”, “Co-Creation”, “Intermediate User”, “Consumer User”, “Lead User”, “New product development”, “Customer Co-Creation”, and also a combination of “Co-Creation” and “New Product Development” using Boolean commands “and”. As these are mostly
discussed topics for the researchers we had a large count of articles that were suggested, for narrowing our search we filtered the documents archived by setting up inclusive & exclusive criteria. Inclusive & Exclusive criteria were Limiting the documents to articles that were peer-reviewed, full access available articles, articles from Journals under ABI, the language of the articles were restricted to only English, we have considered articles with a minimum of 20 references used. We have considered articles from the 1980’s to present, we have also found a few older articles for reference and to understand the early adoption of User data in the Innovation Process. After the primary exclusive criteria, secondary selection of articles are being carried out by a quick reading phenomenon, we initially read the abstract and discussions of the article obtained and selected articles that were relevant to our research question.

3.2 Methodological Choice

![Research Onion](image)

Figure 1: ‘Research Onion’ Source (Saunders et al., 2009)

In our thesis, our methodological choice is built upon the concept of ‘Research Onion’ shown in figure 1 above, described in ‘Research Methods for Business Students’ (Saunders, Lewis & Thornhill, 2009). The concept behind this research onion explains the procedure of conducting research, comparing the process the characteristic of an onion which is peeled by each layer at a time one by one from the outer layer to the inside. Based on the same principle a research process of data collection techniques and analysis procedure (Saunders et al, 2009). In this
procedure we start by discussing our research approach, followed by our strategy for research, choice of research, time horizon and finally the data collection technique & analysis.

3.2.1 Research Approach

According to (Saunders et al, 2009) there are mainly two approaches in research, Inductive and Deductive approaches. An inductive approach is a research approach where we build our own theory around our data collected. Whereas, a Deductive approach is where we use our data collection to verify to test the existing theory (Saunders et al, 2009). There is also this third approach in research that is discussed by few, that approach is nothing but the Abductive Research. This research approach is a modification of an existing theory by using alternative ways to prove the theory and evaluate theory in different terms.

Our Chosen Approach is Inductive, we in our research have made a qualitative study with an aim to identify the factors influencing the process of Co-Creation. We have arrived at our findings after performing the Qualitative study around our research question to arrive at our own findings filling the research gap from the existing literature.

3.2.2 Research Strategy

The research strategy is used for exploratory, descriptive & explanatory research (Yin, 2003). A research strategy is an action that is required to reach a goal (Saunders et al, 2009). There are seven different techniques for research strategy according to (Saunders et al, 2009) they are Experiment, Survey, Case study, Action Research, Grounded Theory, Ethnography and Archival research.

For the purpose of answering our research question, we initially made a decision to perform a Multiple Case study to understand the ‘Influencing Factors in the Co-Creation Process between a Customer and Organization’ from both customer and Organization perspectives, from both Businesses (B2B and B2C). For answering our research question a qualitative study was performed with multiple case study and Semi Structured interview was the interviewing strategy deployed for our research. There was a theme preset for discussion but the discussion was free to discuss within the theme identified from the previous literature.

3.2.3 Research Choice

There are two main classifications of research choice, Mono Method and Multi-Method further subdivided into various categories based on the Choice of Qualitative, Quantitative or combination of both used in research (Saundera et al, 2009). In our research we have made use
of Mono Method Qualitative Study as we have made use of only Semi-Structured Interviews for our data collection.

3.2.4 Time Horizon

According to (Saunders et al, 2009) there are two-time horizons for a researcher to choose between. They are a Cross-Sectional Study and the Longitudinal Study. The principle of a Cross-Sectional Study is to analyze a phenomenon at a particular time. Whereas, the principle of a Longitudinal Study is that research is carried out over a period of time (Saunders et al, 2009).

We for our research have opted for a Cross-Sectional Study and analyze the factors that have influenced the organizations in their Co-Creation process.

3.3 Data Collection Technique and Procedure

In order to understand the lives of the respondents and their perspectives with their own words, researchers need to approach the participants in interviews under a qualitative method (Kvale, 1996). This allows researchers to describe interviewees’ experiences with their interpretations and meaning of the phenomena (Kvale, 1996). It displays various interviewing techniques, structured, semi-structured or unstructured interviews. The choice of the techniques is justified by the topic of research, the purpose and the aims of researchers are to accomplish by means of their research. In fact, researchers would conduct structured interviews that are defined for all participants as standardized with similar questions. It would be used to obtain results that would allow a general public spread (Bryman & Bell, 2011). On the other hand, researchers will use unstructured interviews (Bryman and Bell 2011) to understand participants’ perspectives and may refer to semi-structured interviews.

For our research, an exploratory study was carried out. The study seeks to determine what is going on and search for new observations (Chisnall, 2005). We, therefore, believe that the semi-structured interview technique is best suited to conduct this study. In fact, as the purpose of our research leads us to understand a phenomenon, i.e. to identify the pragmatic factors influencing a co-creation success and failure, we consider that structured interviews are not suitable in understanding the effects of the process.

We want to give interviewees a certain freedom by using a semi-structured interview technique. The semi-structured interview is structured in some ways because it presents a list of questions and/or topics that the researchers want to cover with an interview guide (Kvale, 1996). This allows us to cover the topics of the existing literature while asking questions according to the answers. We also think that the answers may be interesting because they can give us some insights and topics useful for our analysis, but they have not been highlighted before. Therefore,
we see the semi-structured interview technique as the most appropriate for our research. Furthermore, this technique could enable us to gather the data required to contribute to the literature.

3.3.1 Qualitative Sampling Methods

According to Ritchie et al. (2003), it could happen that the researchers can not determine a probability sample during qualitative research. This happens for certain types of a study and a non-probability sampling is used. For a non-probability sample, there are no specific rules to be followed but rather results from a researcher’s judgment. There are several types of sampling non-probability to occur, such as quotas, snowball, self-selection, purposefulness, and convenience (Saunders et al., 2009). Collingridge & Gantt (2008) also states that the aim of qualitative research is to be achieved. We, therefore, believe that our research most suits a purposeful sample where we, the researchers, interviewed people who were involved in the co-creation process chosen by ourselves. By selecting this sample, we believe that our research has been carried out to evaluate who was most suitable to respond to our research question and to achieve our goals (Collingridge & Gantt 2008).

Since we chose a probability sampling technique, we realized to need as many participants as the interviews. In addition, with this technique, we know that this technique does not permit us to generalize, as we do not reach a representative sample (Saunders et al, 2009). We did not want to generalize our results, however, as mentioned previously we concentrate on understanding.

3.4 Selection of Participants

As mentioned above, we decided to use a purposeful sampling technique to conduct our research. Ritchie et al (2003) state that a purposeful sampling technique requires participants to be selected is connected to a specific participant. In general, the selected participants were chosen because during new product development they are involved in one way or another in the co-creation process. We wanted to choose people working with the co-creation process during the development of new products, such as experts and managers, with a comprehensive perspective. So, we thought we would get to more people and avoid refusing to work in organizations that implement the co-creation process. In fact, we were aware of the sensitivity of our subject, which makes it difficult for people to talk about it.

We selected our participants from within Halmstad in terms of time and cost. We thought it was the cheapest and quickest way to meet the participants. Our focus on practitioners is because we thought they had a particular view of the subject and had extensive knowledge of it. They can provide answers with various orientations and have a view both inside and outside, and they can
not focus on the Organization or the consumer, they are "neutral." These practitioners must show some experience before they are selected for our research. For this reason, we focus on a B2B perspective for targeted senior experts.

Practitioners in relation to their language have been chosen. Both of us speak English only, and so we were able to research only with English speakers. Nevertheless, we sought the participants to have a decent level of English in order to have fluent dialog between us and participants.

3.5 Interview Guide

The interview guide helps researchers conduct the interview according to Kvale (1996). The guide contains the main topics the researchers want to address in a semi-structured interview while focusing on the research goals. It was written in English and is structured into five main topics.

We began to determine the themes of our literature review, and we tried to write down the questions we wanted to ask in order to compile our interview guide. We have tried to link our questions with our research questions and objectives in order to make the answers worthwhile. Our interview guide includes unmentioned topics such as co-creation, process failures, process relations, trust and commitments, and customer satisfaction. We have several questions under these themes, which we believe generate knowledge for our research. All questions correspond to our goals and contribute to our subject. In addition, we have ensured that we are using open questions to allow participants to respond freely and spontaneously and to obtain additional information without influencing their answers (Chisnall, 2005; Flick, 2006)

3.6 Conducting Interview

Since the participant was all in Halmstad, we decided to carry out face-to-face interviews. We were always together during the interview; while one interacted with the participant, the other took notes and recorded the transcript. In this, both of us were present and aware of all the discussion, and then both of us were able to understand the results, not just one of us conducting the interview, thus having all the information and knowledge for the empirical data.

We followed the 10 criteria defined by Kvale for conducting the interviews (1996) which are knowledgeable, structuring, clear, gentle, sensitive, open, steering, critical, remembering and interpreting. In fact, each interview was similarly structured. We always began by thanking the participants for their time in our study. In order to have an informed participant, we introduced ourselves and the study and its purpose. This made us as transparent as possible, enabling us to get high-quality results. We then presented the interview structure and the main topics of our
guide. The first questions were on ethical issues such as anonymity, confidentiality, and agreement for recording, followed by a warm-up question.

We spoke clearly and simply throughout the interview and avoided complex terms from theory. We have ensured that the participants are always understandable. We have asked follow-up questions to generate as much knowledge as possible in order to receive more detailed and detailed answers from those interviewed (Bryman & Bell 2011). In addition, we were able to link participant statements to further elaborate on the subject during the interview. Moreover, we sometimes asked for more clarification and extension of the answers to interpret them in full later on. At the end of the interview, we allowed the interviewees to express whether they wanted to ask or to present certain aspects which were not dealt with. This open question gives us the opportunity to collect additional data we did not have during the interview.

Bryman & Bell (2001) mentioned every qualitative interview has a different time and duration. Table 1 shows the various interviewees and interview duration. We can see that our shortest interview lasted 23 minutes, and the longest interview lasts approximately 41 minutes.

3.7 Transcription

According to Kvale (1996), interviews are important to record during research. The researcher can, therefore, concentrate on the interview and be dynamic. To do so, it was important first of all to seek the consent of the interviewees if they were comfortable to record (Bryman & Bell, 2011). That is why we asked the interviewees their agreement to record before each interview. Rather than taking note, the reason for recording concerns the efficiency and relevance of the results. We do not lose time and focus by taking notes at the interview by recording and transcribing the answers (Kvale, 1996). We also made sure that respondents are secure while asking permission to record and transcribe their answer by asking their choices to be anonymous or not when integrating their replies into our research. Indeed, it appears important, to ensure that interviewees are anonymous in order to have their thoughts in a free and open-minded (Kvale, 1996). There are some advantages and disadvantages to recording that we must be aware of. According to Saunders et al. (2009), the advantages to recording are that the interviewees can re-read responses, allow direct quotes to remain focused, while the technical problems are disadvantages, reduce the reliability and inhibit the interviewees. In the event that interviewees do not accept recording, we suggest an alternative to take note and ensure that the note is in line with their statements at the end of the interview. Then we read the transcript in order to avoid mistakes or misunderstandings by transcribing the answers.
3.8 Ethical Considerations

Flick (2006) states that researchers must take the ethical aspects of how interviews are conducted throughout the research into account. We know, in fact, the nature and content of our research, which in interviews can raise ethical questions. An emotional relationship between the researcher and the interviewee is developed during an interview by Richardson & Godfrey (2003) and it highlights the need for the interviewee to conduct the interview with sensitivity while being responsible. We have therefore seen ethics as an important criterion for our research.

As we tried to point out the factors that influence successful and failed co-creation in the development of new products, we feel our interviewees want to be secure and confident about the answers they provide. Since our research topic can be seen as sensitive in the business environment and we also seek the negative consequences of the process, people can hesitate to join or share experiences with us. By explaining our research's reasons and a clear purpose to them, we highlighted the positive implications of our research and gave them the will to participate with a sense of trust. So, we have considered the ethical aspects that are important for our interviewees to gain access to relevant participant’s information.

3.8.1 Consequences

During the research, attention appears to be crucial to avoid harm to participants. The researchers must act carefully to collect data in the right way for the participants. In fact, interviews can sometimes be intrusive and thus cause the participant’s anxiety and stress (Flick, 2006). We, therefore, notified them about the effects of the interview, i.e. the future of interview in our case (Kvale, 1996). Through this, we believe that we have developed a trustworthy relationship between researchers and those who felt freer to express themselves on the subject. In addition, researchers should pay attention to the time frames and the nature of the approach of the participant by contacting them at the appropriate time (Saunders et al, 2009).

3.8.2 Informed Consent

Informed consent fully explains the participants' characteristics of the study, the risks, and benefits to participants (Kvale, 1996). To obtain the relevant data, we selected volunteers first. We explained the research to the participants, how we did the research, the purpose of our research, and the importance of conducting interviews to increase the value of our research. So, we wanted to emphasize the need for this research and thus the importance of data collection. In fact, we believe that by giving the participants information, the answers seem to be more frank and complete. Participants also participate in research in the provision of data but could not agree on how researchers would use it. Thus, we had preferred to inform them, in order to clarify and
to avoid confusions and misunderstandings, that the use of information would be for academic purposes only.

Then, to conclude our interview preparation, we ensured that the participants were aware of the average interview duration while stressing whether the interview lasted longer or shorter. By informing them before the interview, they could have arranged for them to organize their times while informing them about the duration of the interview and thus avoid the interview being cut off. Even in the interviews, we took care not to give participants too much information to prevent them from influencing the answers.

3.8.3 Confidentiality

We wanted to highlight the privacy and confidentiality of our interviewed persons and their responses to maintain a certain respect between researchers and participants. In fact, the interview appears to be important by ensuring the privacy of all the data collected, such as names, personal information, Organization names and so on (Kvale, 1996). In order to trust the research participants, we therefore asked for their wishes regarding the information they had collected, as if they wanted to be anonymous. Therefore, as recommended by Saunders et al. (2009), we avoided all pressure for the participants.

During the interview, another ethical consideration was also presented. A participant may find a question inadequate or inappropriate with respect to his / her position. If the participants did not decide to answer certain questions, the question was skipped, and we moved on to the next question. We ensured that participants were aware of their rights to not answer certain questions, as Saunders et al. (2009) stressed.

3.8.4 Deception

As stated previously, we have given the participants consent to inform them about the research topic and the researchers' goals for conducting this study. Consent does not really explain how the data will be used later, however, it could, therefore, lead to a lack of consent that could lead to the disappointment of participants (Saunders et al., 2009). The fact that the research objective has been changed without informing participants or in collaboration with a partner or/or a sponsor can be a disappointment. The researchers could harm their interviewees by not providing all the knowledge to participants. We have chosen to clarify the interview process by pre-discussing and clarifying our research and gaining confidence to avoid deceived interviewees. We also allowed participants to ask questions about our research at any time.
4. Empirical Findings

In this chapter, we shall introduce the findings of our research. We shall present the results from our research on understanding the Factors that Influence a successful and failure Co-Creation Process. We have made use of our findings in the research as a base to justify and contradict our theoretical framework in building a theory behind those factors.

Table 01: Table of Participants

<table>
<thead>
<tr>
<th>Name</th>
<th>Designation</th>
<th>Organization, Location</th>
<th>Type of Interview</th>
<th>Duration (Min)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Zaheer Ahmed</td>
<td>Industrial Designer</td>
<td>HGF, Halmstad</td>
<td>Semi-Structured, Face to Face</td>
<td>41:00</td>
</tr>
<tr>
<td>Camilla Schough</td>
<td>Product Development Engineer</td>
<td>Eleiko, Halmstad</td>
<td>Semi-Structured, Face to Face</td>
<td>24:51</td>
</tr>
<tr>
<td>Marie Bengtsson</td>
<td>Director</td>
<td>Comfort Audio/phonak, Halmstad</td>
<td>Semi-Structured, Face to Face</td>
<td>22:31</td>
</tr>
<tr>
<td>Anonymous</td>
<td>Audiologist</td>
<td>UK</td>
<td>Questioner by Mail</td>
<td>--</td>
</tr>
<tr>
<td>Magnus Gustavsson</td>
<td>R&amp;D Manager</td>
<td>TyloHelo</td>
<td>Questioner by Mail</td>
<td>--</td>
</tr>
</tbody>
</table>

Our Interviewees are those experts who are participants of the Co-Creation process in their respective organizations. These interviewees work in Co-Creation & New Product Development. We selected these participants based on their position and their experience in the field of co-creation.
4.1 Interviewees

This section describes our participants in the aim to present the relevance of our selection pertaining to our research.

I. Zaheer Ahmed (HGF)
II. Camilla Schough (Eleiko)
III. Marie Bengtsson (Comfort Audio/Phonak)
IV. Anonymous (Audiologist)
V. Magnus Gustavsson (TyloHelo)

4.2 Cases and Case Organizations

In this section, we have discussed the different cases we have considered for our research. This section aims to provide the details of the Case, Organization details and its relation to our research.

4.2.1 HGF and Eleiko (Case 1)

I. HGF

HGF is a successful and expanding producer of rubber products. They have a clear objective – to continue growing profitably. They achieve their goals and visions primarily through new business relationships and by working more with ‘existing customers’[Co-Creation]. (https://www.hgf.se/en-GB/about-hgf-29706512)

HGF supplies TPE and rubber products in six business areas, Automotive, Industrial Products, Marine & Offshore, Mining & Construction, Sealing and Sports. HGF is headquartered in Halmstad, Sweden. In Latvia, they also have an additional production unit that mainly produces products for the automotive industry. (https://www.hgf.se/en-GB/about-hgf-29706512)

To achieve their vision of becoming a "world-class rubber Organization", HGF introduced HGF Production Systems, HPS, in 2006, based on lean production principles. Lean has its origins in the Toyota Production System and is described as a philosophy, a way of thinking and a series of methods that are highly topical in business today. HGF embraced the principles and adapted them to its activities, which has resulted in numerous awards. (https://www.hgf.se/en-GB/about-hgf-29706512)
II. Eleiko

Initially for 3 decades, Eleiko manufactured small electrical appliances such as toasters and waffle iron until an idea changed the Organization's pathways forever. Later one day, Eleiko's factory supervisor Hellström, an enthusiastic weightlifter who was frustrated with barbells that constantly bent and broke, contacted Johannsson, our CEO, with an inspired idea - to produce a better barbell. ([https://www.eleiko.com/sv/about/the-company/our-story#gs.7rkez0](https://www.eleiko.com/sv/about/the-company/our-story#gs.7rkez0))

Further to the idea, Eleiko made a big entry on the world scene in 1963 by doing what no other manufacturer had done before - producing a rod that holds an entire competition without being hurt or broken - and the weightlifting society noticed it. The impressive performance raised the standard for weightlifting equipment.

Eleiko shapes the weightlifting sport with the introduction of the first rubber weights and includes needle bearings in the bar design that improve performance and safety. Athletes appreciated the enhanced experience and the concept of "Eleiko feeling" was created.

At present Eleiko has been honored to have been part of 5 Olympic games so far. Their heritage is based on weightlifting and they are proud to support champions - past, now and in the future - with the world's finest equipment so that they can climb onto the platform with confidence, focus on their performance and make record-breaking.

4.2.2 Comfort Audio and Audiologist (Case 2)

I. Comfort Audio/Phonak:

Comfort Audio stands for hearing aids that improve the quality of life for people with impaired hearing. The products provide great flexibility and are developed for both working life, school, public environment, and private life.

Comfort Audio is placed in Halmstad and was founded in 1994 and is owned by Sonova since October 2014 and is now operating under the Phonak brand. Their business is integrated into Phonak Communications, Sonova's global headquarters for wireless technology, which develops Phonak's hearing products under the Roger brand product. The merged organization will continue to develop future hearing products. ([https://www.phonak.com/se/sv/hearing-aids.html](https://www.phonak.com/se/sv/hearing-aids.html))

In the Scandinavian market, they offer a combined product portfolio in the name of two product brands Comfort Audio and Roger. ([https://www.phonak.com/se/sv/hearing-aids.html](https://www.phonak.com/se/sv/hearing-aids.html))
4.3 Qualitative Empirical Findings

This section introduces the findings of our research. We present the findings of our research on the Success and Failures of customer co-creation during new product development process.

I. Successful Co-Creation

Many of the respondents have discussed and shared their perspectives on what the co-creation process can provide to an organization and its customers. About the co-creation process, Zaheer Ahmed from HGF says that Co-creation creates a personal relationship with the customer since you work with an organization for a certain time on developing a product for them with them and in this process, you get to meet their personals that encourages to develops a relation both personal and professional. Zaheer and Camilla explained that it is important for co-creation to provide a certain sense of participation within the Organization and in product development since both the organization and its customers feel very involved in the development of the new product. They also showed that co-creation creates a sense of being valued by the Organization. Especially for an Organization like ‘Phonak/Comfort Audio’ where customers are consumers, co-creating adds value to its customers. This feeling is created by asking customers to share their ideas, inputs. Customers will feel valued because they know that their input will be used in the product they consume. Marie Bengtsson said in this process the product will be better adapted to their needs, she also feels Organizations will understand how consumers use the products according to which the product can be further design to match their needs and fit it to consumers usage. Marie continuing to talk about value provided to customers from the process, she claimed that many times an organization develop a product without understanding how useful is it to the customer, but they develop certain things just because they are capable of developing it instead when an organization develops a product utilizing their capabilities and understanding the users real needs they can really develop good products that add value to the customers. When asked to an Audiologist who is a customer to Comfort Audio, he claimed value added to him by the process of co-creation is huge as he is part of a product development team which includes him and producers, his suggestions to the organization are mostly from the End Users who visit them regarding their problems and needs that he reflects to the organization on development. So, he said this adds value to end-users as it is their needs and problem that he addressed to the organization and End Users are benefited by this as it is finally developed to end user’s requirements. The explanation given by Zaheer Ahmed further enables these statements to be grouped, which states that if customers participate in a product that was tested and co-created, a different kind of emotional and rational relation of quality might be created. In line with this idea, Zaheer and Camilla argued that co-creation is a source of enjoyment, a source of pleasure and social benefit. They show that customers enjoy interacting throughout the process with organizations. The results here show that co-creation has an emotional impact on the customers.
Indeed, it allows the customer to feel more valued by sharing their ideas or any type of input to the Organization, as the Organization uses their inputs. Zaheer Feels that if you can get the clients to invest in the production process, that gives them ownership, which makes the result more valuable to them because they have to say what they want and what they need at every stage of the process. Camilla further submitted that as a customer, they are rewarded by better products that are better suited to their needs and more appropriate for their context of use.

When speaking what co-creation can offer an organization, respondents raised the idea of learning processes, better business, customer appreciation and closer to their target group. Zaheer Ahmed explained why an organization views co-creation as a learning process because the customer’s inputs, although it may not be very useful at times, still provide them with many insights on what customers find interesting. In fact, it explained the fact that an Organization can listen to a customer's knowledge to be more flexible as co-creativeness enables an Organization to be on top of what is important, what they can adapt, what they can change. Co-creation provides an Organization with insights, even when not useful, keeping it informed about what its customers think about the market, the brand, and the Organization. However, good customer insights allow the Organization to create a whole range of possibilities from the creation of new products to changes in some of its existing features. Furthermore, he explained that co-creation provides better customer knowledge and represents a way to reduce the cost of innovation and speed up the process. In another case, Marie Bengtsson from Comfort Audio Stated Co-creation provides an organization to develop better products when knowledge form customers is incorporated which also increases the sales, in turn, improving business also an organization will be appreciated by its customers.

According Zaheer, every innovation will affect the impact of the Co-creation process, but if an organization makes an incremental innovation that gives the customer validation, optimizes customer requirements, it helps our Organization to identify opportunities that can not be identified if the organizations make a breakthrough innovation. In fact, he believes by inviting customers to different levels of innovation and product development we believe that we are closer to the needs of the customer. Then we understand that co-creation is a process for an organization like ourselves, allowing us to achieve and develop a better product by becoming closer to customers and learning more about current trends and optimizing the needs of the customers. For him and his organization this relationship with the customer is important; co-creation must be more than a technique for improving product development. According to Marie in consideration of their product, their customers know very little about the technical details of the product, so she feels there is very little innovation from the customer’s end but they will surely be a part of the whole process guiding the organization with their requirements & needs. Physical Design elements such as size. Shape, button placements, Indicators, etc., of a product, is the main criteria they expect from the customer in case of innovation.
We asked how successful the co-creation process can be. The respondents said that the process certainly does not always succeed, which explains that many organizations try to co-create, but do not carry it out well. We continued to ask ourselves what the most important aspects to consider when co-creating can be a difficult process and not always successful. The answers to the question were, that Zaheer identifies two elements first and selects the right customer to co-create, and second, the organization's level of knowledge about that customer, as if the organization doesn't know its customers very well then, we can end up selecting customers that won't be very relevant or interesting. To this Camilla Schough adds that, create an environment in which everyone involved is creative, creates an open atmosphere in which people can show their creativity. We felt, therefore, that the environment is very important to collect inputs properly.

The environment is important and depends on what type of innovation is implemented by an organization. The Organization will achieve better results by creating the appropriate environment, whether for individuals or groups. Camilla Schough said it is very important to create an atmosphere in which people feel they can make a difference by coming together, building on each other's ideas and using their skills. In addition she said that co-creation will be successful but not by default, you need to work hard to make it successful, you need a process, you need to be able to work with people, you need to show that work with other people is a good value, no matter who you are, as long as you can come together and create value from it. Its was also discussed by Marie Bengtsson behind a successful co-creation the behavior/attitude of the organization is important, we as an organization need to be very open and welcoming in receiving every kind of feedback because if you ask for inputs, you may get critical feedback, customers may provide wrong directions we as an organization should consider them in a constructive manner. She also claims that as an organization they understand that all the information they receive isn’t true, but they try to value every saying from the customer in the building.

Zaheer Ahmed adding to his argue Organization and customers need to know how to draw lines somewhere because it is very easy to draw your own lines when we or the customer organization design themselves, but when other people are in the same process, you must think about what others say and think about what makes sense to put in place. But when asked about the same to Marie Bengtsson she claimed that in their case it is very difficult to expect that customers draw lines to their information. So, she says it's an organization that must learn on what aspects to consider and what not to from the whole discussion. But she also said that an organization should not set any limits to its customers during discussion but later filter out all the important data that they feel is relevant to integrate into the product that an organization is developing.

In co-creating, Zaheer Ahmed gave us an important consideration. It's about communication, Zaheer Ahmed said, the better we communicate or in some cases not communicate what we
want, because they don't need to understand what we are doing, sometimes it is actually good that they don't. However, the best thing we do is to make them know exactly what we want them to understand, the better results we get from them. He also stated that it is sometimes good to hear from customers, knowing that customers are not always subject matter experts.

A complete co-creation is a broad, transparent, ongoing process. The interpretation of this definition is that co-creation works only if all the parties involved support what they want to do. The idea that we do this together. The transparent part of it is a typical thing, If you work together, you need to be transparent. (Camilla Schough). It is an ongoing process because it never ends. It's not like using a tool, it's something that begins and continues. An Organization should always be in the co-creation circle with its customers even though the product is already on the market, as it makes it possible for Organizations to continually understand what is happening through co-creation. This definition offers an overview of what the process of co-creation is and a better understanding of what is important during co-creation. In addition, Zaheer Ahmed gave his views of the benefits of co-creation that there are many advantages to the complete co-creation: the relevance of the results, the increase in the marketing impact, the broad support of stakeholders (customers), increased customer motivation, a positive impact on the quality outcomes and a positive impact on the organization.

Knowing the advantages of co-creation, the interviewee said that the co-creation process clearly is not as easy as it might appear. Zaheer added that few customers think that by taking the few steps, we get something that is good. He added that, if you're looking for something, you can't standardize the process, forget that co-creation is never standardized, because every context is different, not because of co-creation, but because all products are different. It is also how that is made easier if customers are all aimed at the same thing if everyone involved in this process is open and honest, you won't have any problems.

II. Unsuccessful Co-Creation

As far as our research questions about the factors of both success and failure of co-creation are concerned, we follow up by asking for further explanation when it says co-creation is not always successful, Zaheer says that an organization must be very critical. As he has argued, there is a certain risk in that process that it goes wrong, and most often it goes wrong, but people do not realize that using the right method is always the right one and that formalization is the enemy if an Organization wants to innovate. If an organization restricts the designer's freedom of speech and freedom of action, then the organization does the opposite.

According to Camilla One of the reasons for an unsuccessful co-creation is probably a lack of commitment: We have a few organizations to try to or to pay attention; we think co-creation is great and perhaps they should co-create; we can have customers who share our contributions, and we can do something about it, making our brand very interactive and attractive; It's good for
their image but if you don't work well with customer inputs and do anything about it and don't give them feedback, it's going to fail.

The co-creation engagement of an organization will have an impact on the results of the process. Camilla Schough argued why co-creation is sometimes ineffective. This argument is about how the organization implements the process by simply saying that the process sometimes fails because some organizations simplify the results, rather than trying to synthesize them. Some organizations simplify the process because certain results must be achieved quickly. This response shows the organization’s readiness to co-create while being very time-oriented, as they want to provide a value proposition in a short time frame. The Organization's behavior causes a failure to co-create.

The description of the project is another reason for Zaheer Ahmed's failure to co-create. It can either be on the part of the customer or of the organization. Organizations must describe the project broad enough to make it understandable and engaging to many people interested in the project. It's about how the Organization formulates the challenge. He added that it must be with the management of the community as well, because the time frame for people to co-create is too short or because they feel that it is a very challenging environment. Camilla said you must be very clear with what you expect as results. The reasons for this are more concentrated on how the organization runs the co-creation campaign and how it structures the co-creation process. Camilla argued that Organizations have implemented the appropriate process to involve their customers but are unable to identify the appropriate input from their customers, which is the reason for a successful co-creation.

In addition, Zaheer pointed out a few other reasons for failing to co-create the absence of feedback, miscommunication, and misunderstanding. It is of the utmost importance that the organization clearly explain the challenges posed by co-creation so that everybody understands what it must do, which is the challenge, and what is the need for challenge. Communication is therefore very important. Camilla also claimed that the co-creation process might fail due to the lack of co-creation understandings since the organization can't properly understand the market you can't successfully launch a product no one can buy if you haven't read the market properly.

We can indicate that both the organization and the customer are equally responsible in terms of co-creation and some skills are required by different elements given by our respondents. Zaheer and Camilla stated: If there is a lack of leadership in the process the project leader is responsible for the co-creation process if it fails. But if the organization and the customer lack of knowledge, how to handle such processes. Let's see that, it's difficult for Organizations in a certain time to start this process, to be very open and to allow customers to go and start to play with their ideas, and sometimes the Organization feels uncomfortable. Zaheer has explained that Organizations must go into the depth, emerge and be there, listen to them and watch thoroughly, and if they
don't commit to it, then it's better not to do so, its absolute waste of time for all. He also said that it's very important to be committed because the results will be very flat if the Organization has a discussion and asked customers what they think of a project/product and why and how customers act, the Organization will receive a much broader, richer and much more useful information package. During co-creation, customers and Organizations must be committed to a successful process, customers must provide insights and ideas, while the Organization has to implement the process correctly by engaging with customers and implementing processes according to the project and not simply by using a method.

Therefore, we asked our participants about the consequences of a failed co-creation process. Zaheer and Camilla said the consequences may be that the product is not as good or the relevance is not as good, or that the product is not attractive as it might be or that it is not optimal in terms of resonance. Zaheer, which is focused on resource loss can be financial; time, employees; stress for employees can rise because they can be under a lot of pressure.

Few customers have the feeling they haven't been understood, and the Organization gets the feeling that they have lost their time in a certain co-creation. Zaheer and Camilla then brought up the idea of learning as an outcome of failure but stressed that a failed co-creation will provide the organization and its customers with an emotional response. The product is then launched and does not fit customer requirements, co-creation sometimes stops between them, the market never sees what happens to the product? There's a risk of customer disappointment, it's probably the most serious to say the Organization wants to work with customers to improve things if the Organization doesn't do it, then they must take care of what it means, and the organization does it for the right reasons.

We also wanted to know how an organization can prevent or prevent failing co-creation. Zaheer replied clearly saying, by doing well. If you co-create your innovation properly, you should have a high chance of success. Camilla added: The issue here is what they do wrong, that's the first thing to figure out, so why didn't it work, could it, for example, they didn't give credits to the customers that they deserve, they didn't do anything with the ideas, they didn't involve the right people, they couldn't seek value and they didn't do anything to help them. I believe the dangerous part is that you no longer trust people's skills but put all the methods into practice and it becomes more formalized than personalized. These two participants' views are, that it's important to include the right person and to trust them and their skills, rather than just believe that the method is going to work.

Further, Zaheer talked about learning from failures, they must learn from failures that they adapt and change the process constantly quickly. There is no specific way to co-create because it is linked to the organization's values themselves. This distinguishes every co-creation. Camilla said, First, they must know it can happen, which is a huge thing. Indeed, before implementing a
co-creation strategy, organizations may not even think that it can fail and that is very important. She also argued that her employees should also be trained, ensure that their staff can manage their customer relationships and identify the kind of innovation that customers want, may want or may require. They must also be prepared to modify the level of participation or to take different steps to increase the involvement of their customers in the co-creation process. An organization is responsible for adjusting its processes so that it can choose the right ideas or ensure it can manage its customers completely during the process. It is also important for Organizations to become aware of the risk of co-creation failures and for that organization to train their employees and be flexible in managing their customer's participation. Furthermore, she says that they need to train their staff more than their customers because they have so many assumptions and have forgotten how to listen and what we can do to train the staff of an organization.

Moreover, we asked whether co-creation could damage the relationship between the Organization and the customer. Many organizations have a problem in collaborating with their customers because they think they can harm the relationship, they don't pursue, they are basically afraid, says Zaheer. Camilla claimed that if an Organization explains what it is trying to do, it's okay and good if customers don't think the organization tries to get something and customers get it back. Therefore, co-creation must be a win-win situation. It is the principle of value creation, a win-win situation with relationship advantages.

Then we found the vision of our participants about the failure of co-creation interesting. Zaheer was easier to co-create when the customer is not happy with the outcome or the stakeholders who use it. The participant focused his reply on satisfying end-users as a means of ensuring that there is no failure in co-creation. He concentrated on the outcome of the co-creation saying that the co-creation process fails if you do not arrive at a new product, service, or process since you can not understand the needs of the customers. It's the worst because the organizations don't normally realize or accept the situation, then they argue nobody is sure you will be successful, it's a question of how you manage the process and manage the conversation within groups.

Camilla expressed a vision of failure as I can have unexpected results, but it does not mean that it is a failure. It just means I've learned something I did not expect. In addition, Zaheer said, the result of the process can be a catastrophe, we now know that the answer to that is not what we wanted to do, but that is a result anyway, because we have learned something, we've learned that it is not the way to do it.

Camilla also said that will never be a failure because knowledge is the most important part when you don't end up with a product, if you say during the co-production process that you will produce a product as the end results and, during the co-creation process, you realized that you do not really need a product but you need a service, is it really a failure? The starting point was
wrong, but that's alright because you have found out the process. If the relationship between the stakeholders concerned is as open as possible to understand that co-creation is knowledge, rather than a successful finished product, then I believe that it really is and always successful. These participants expressed not the idea of a failure of co-creation but more the probability of unexpected results. In addition, these participants had the idea to learn from unexpected results. Zaheer pointed out, I think a project fails if you haven't learned anything as an organization if a project fails and something you can use from it for the next projects, this can still be a success. But it's a failed project if you really didn't learn anything.

Zaheer says, failed co-creation, perhaps, that we should take that expression away, all ideas and all results that we could value, yet for the moment it is not a success, but 5 years ahead it might be something that in another context the same result may at other times be a good outcome, so I think it is important to think about it when you judge. Camilla gave a different view of creation, saying that failure should not be viewed as such and should not be a failure while co-creating because it is a learning process as other participants have explained and because the organization must judge the result as future possibilities. Even if it is not a success for participants, it is not an absence, because the results can either be used as a learning process or in the future.

After the Zaheer discussion also concerns the concept that the co-creative process should be very insightful, I think if we were at the end of the process a breakthrough idea? and this is the only criterion for success, there would be no point that is learning you are getting and also people say that 80 percent of innovation is not successful, that is probably a point that is lacking. I agree that this is the process of learning, and I think that we must ask ourselves what the outcome of co-creation is and how we assess its success. At the same time, I feel it is important to recognize that for certain points, it is beyond the control of the process to achieve success, but it may be also other factors such as the execution of the ideas, their launch with the right budget at the right moment, which would impact any innovation or product launch. He added that saying failures might ask questions on what you mean by failure, how you measure failures, I believe that you need different action throughout the value chain if you're to be realistic on it, and I believe that if co-creation is often the furious front end to the innovation process, it's unrealistic to expect that every co-creation will result in extraordinary products, But that should be the objective, of course, because if you never give any kind of added value from a more involved and complex process.

The view of that participant is that co-creation is the result that should not only encourage an organization to co-create but also learn from it. As he said, it is unrealistic to expect each co-creation project to succeed so that a game changing product is produced but that it should be the aim. Then the question here is whether the outcome is not a change of game, if it is still an Organization’s success, well for this participant it will depend on how an organization measures its failure. For him, the benefits can be multidimensional from the point of view of the
organization, it is not just a learning process, but even if you do not come up with the next great ideas. But it can also be the trust that gives you to do what you must do for a long time. By working with customers, co-creation brings confidence to the Organization.

Camilla believes the term failure to be important. She agrees that this is a learning process but thinks that the avoidance of the term failure is a radical view that said when you read the literature about failure it is always about learning from failures. It's only against certain expectations you had at the starting point. If you had specific expectations during the outset and did not meet these expectations as products for example, then you did not meet them, and the involvement of resources you used in trying to achieve these expectations resulted in a result that is below what you wanted at first. Well, yes, this is a learning process, but by adopting this radical point of view, it means you always learn in the end. Even if she agreed that this is a learning process, the participant believes that failure can lead to such a learning process. Obsession with trying to make things good even if it's not, makes me wonder how we can learn from a failure, and it goes back to our previous discussion, if it's a failure, then if it's not a success, it just does mean that one day or another we will be successful, it's very optimistic, sometimes you can never achieve your goals of success. Failure therefore occurs and must occur to learn from it. This respondent claimed that everything cannot always be successful by nature, and by using a word like unsuccessful as opposed to failure it may assume that it is intended to succeed, while it may eventually fail. Therefore, failure occurs and must occur in order to learn from it.
5. Analysis and Discussion

5.1 Factors that Affect the Success and Failures in both the cases

*In this section we have slated the factors Identified during our research*

5.2 Analysis and Discussion

After being discussed the finding in chapter 4.3 and identifying the factors that influence the customer co-creation process above in section 5.1. Here in this section now in order to analyze our data. We have analyzed each main factor identified as a subheading for analysis and made our analysis and discussion around it on how these factors can influence the co-creation process.

5.2.1 Communication

Communication has been identified in our research as a factor that is used as a medium to exchange the required information to keep each other in the process informed, discuss and convey their respective opinions that influence the process. Also, we have recognized this factor to be used in making the NPD process along with the customers as an easier way to understand and solve the problem. The members of the process (Customer and the Organization) must regularly interact mutually and keep each other updated. Communication not only makes things
easier, but we have been informed that there is conflict during the process which is considered to be a constructive criticism by our respondents. There are topics on which there are always agree and disagree which doesn't mean it is a bad sign but most of the time there are really good outputs that come this way. But, this only possible when kept transparent and open which in turn means the communication factor is really important. How are the ideas criticized, how is feedback provided and so on.

Communication makes it easier to exchange information regarding needs. Organizations should be able to make use of such factor to make the customer understand their needs from the customer before the process and with regular feedback keep the exchange of information in the required track.

We agree to the fact that organizations are well known about the solution to the problems and customers know more about their needs. In the process of Co-Creation organizations must communicate to customers to make a bridge that interacts with the solution to the problem and the needs of the customer are matched. For eg., during our research from one of our respondents (Zaheer, HGF), during the development of a product (“Horse Shoe”) that was made by Hardened Rubber replacing the traditional Iron Horse Shoe. Here, in this case, we can see that the organization knew the solution to the problem, replacing the traditional horseshoe and later communicated to the customers to understand the needs of the customer to further develop it to the market needs in terms of weight and functionality (https://ollov.com/). This is described in the literature as “Absorptive Capacity” the organization's capacity to incorporate the customer needs (Cohen & Levinthal, 1990). Also discussed by (Ogawa, 1998) as Organizations must communicate to their customers in the development process in order to identify how can a solution be placed to fulfill the needs of the customer.

In our thesis, we have identified communication as a factor that influences co-creation as one of the initial attempts towards problem-solving and development process and achieves market knowledge. This means an organization can achieve more positive results while NPD by laying out some time communicating to customers. Also, we have all our respondents recognizing this process as an investment than calling it an expense. Employees from the organization have to communicate with customers in their environment to under their experience creating value to them by regular Feedback that builds in value to the customers. Organizations should be frequently in contact with customers. Some times mainly when working with a completely radically new product are being developed where even the customers themselves are totally unaware of that until they use it themselves. Here only way that an organization can communicate to the customer regarding this product is by Highlighting the Needs of the organization to the customer, where customers can communicate on what they are asked for that is someway useful to the development process.
5.2.2 Management

The Co-creation process is usually supported by many departments form an organization, it’s hard to specify or point out any department individually to the responsibility of the process continuously. Departments like marketing, R&D, Relationship Management, etc., are responsible at a particular point of time in the whole process(Arnold, M. (2017)). So, in our research we have termed many Managerial activities as a factor called management, There are many responsibilities of the Management that are discussed as the sub factors that influences the co-creation process. We in our research identified that clearly there is a need for a strategy and approaches that have to be planned by the management to integrate the co-creation process into the organization structure and plan the whole process from selection of customers to respond to the customer to implement the information in development. Management should be responsible for selection of leaders or representatives from each of their departments involved in the process.

It was also made clear during our discussion with our participants was that not all customers fit into the process of co-creation. There are many criteria and also the willingness of the customer to participate that has to be looked into while acquisition. The acquisition is not that easy as it seems, says one of our respondents. Relationship Management strengthens the relationship between the organization & the customers (Ploetner and Ehret, 2006). Relationship management is usually kept far way for the process of co-creation with a misconception of them to maintain and strengthen relationships with stakeholders and customers only in after the process. But, the Relationship Management team is much an important subfactor in the process as they are mainly responsible here in identifying the customer and further maintaining a healthy relationship until the process and even further. Also, if the customer or the customer organization who has been acquired to be implemented in the process is bad or if not treated correctly may end up becoming a wrong choice then the project may turn out to be fatal.

It is also very important for an organization to maintain a good environment for a fruitful process. A good environment can create a trustful relation. In a good environment there is always a comfort and healthy relation which results in good outcomes of the process. Failing to create a better environment for the participants it surges down the process and leads to less creative output some time that fails miserably. So, in our research, we claim that a Good environment results in good outcome, this also makes customers and employees involved in the process committed to the process and trust is built mutually.

When in literature we found that some co-creating customers are encouraged or motivated by rewards in the form of money prize, profits directly or indirectly in the form of IP’s or from the evidence of receiving it from an organization encourages the willingness for participation and
give out better information (von Hippel and von Krogh, 2006). Further, we recognized another Subfactor that can encourage customers and make them feel special is by rewarding them through gifts or incentives. Co-Creation is a process to develop a new product or a process aiming to make a profit. But in this process where both Customer and Organization are involved and, an only organization benefiting at the end is not good. It was also discussed by our respondents that customers are benefited by a product that is built according to their needs. Yes, agreed another respondent contradictorily said customers in the process have to encourage by more means possible and rewards or an incentive encourages them more and willingness for further participation will be heartfelt. Considering all this, we included rewards as a managerial decision to be taken to encourage customers to have a flow of ideas that helps in the good co-creation process. Rewards varied from B2C and B2B, rewards for B2C can be a sample product, free trials, etc., but for a B2B collaboration, it purely depends on the output both organizations are profited by the outcome or the customer Organization can be rewarded with share on IP, or a tie-up is made for the production of the product for a long term.

In the above discussion, we have discussed the factors that management should make a note of for customers and their benefits. The next factor that we have recognized is for the employees involved in the process. Flexibility, this factor is also very important during a new product is being developed both employees and customers are not to be said to follow a desired or a traditional path. Traditional path or a restricted way to develop a new product the process fails. It was discussed by our correspondent that if there is no freedom of action provided by the management it is always difficult for a designer to design that is something out of a box or there is no Innovation done in the organization. So, here we recognized that there has to be a certain freedom provided to the participants during the process.

Considering all the above discussions we considered to put all the factors related to managerial decision and actions that influences the process as a Factor on the whole and called it Management.

5.2.3 Transparency

Transparency has been identified as a factor that influences the co-creation process on how the participants (Customers & Organization) participate in the interaction with each other. The factor Transparency during our research was mostly discussed by the Customer as their need that has to be provided by the organization for healthy and constructive information exchange. It was also discussed by our respondents especially organizations that transparency today plays a vital role and has improved as it's not the same as it was in the past or in the traditional methods. Organizations are more transparent to their customers these days as there is more transparency been created and easily accessible to the customers if the organization fails to. In today's world of internet access to information on products, the business has become so easily accessible
creating transparency increasingly desirable (Prahalad & Ramaswamy, 2004). Communicating with different customers increases transparency and reveals differential power (Gregory, 2007).

The factor Transparency cannot be discussed in a single point of view, each respondent spoke about transparency from a different perspective. Transparency is a vast subject as a factor it can be discussed as a subfactor under communication but due to its vast perspective we have discussed it as a whole other factor that can individually influence the co-creation process. In the literature (Prahalad & Ramaswamy, 2004) Transparency has been discussed under Building Blocks of Co-Creation DART(Dialogue, Access, Risk assessment, and Transparency). We in our research aren't turning it down but we are complementing and found that transparency can be counted on to be a factor that can influence the whole process.

Transparency in our research has been discussed as a factor that builds Trust for Customers on the organization, transparency throughout the process has been identified to help the rapport between the participants especially in a B2B structure when the whole process is transparent to both the teams (Customer team and Organization team) there are very less rework, fewer conflicts, more creative and huge knowledge that's shared mutually and build trust towards each other.

5.2.4 Commitment and Trust

Commitment & Trust have been identified in our research as interdependent factors that can affect the co-creation process. They are stated interdependent as they can affect each other directly and in turn affecting the process of co-creation based on the behavior of the participants towards each other. As to say, if a customer or a customer organization shall not show commitment to the process the organization shall not trust this customer, and also the same on the other side if an organization fails to show commitment in the process the customer or the customer organization shall show no trust. Other than just being considered as factors that influence the process of co-creation these also show their impact on influencing the relationship between the two participants of the process the Customer and Organization.

Trust, has always been an important factor for an organization to gain the faith of the customer (Reichheld and Scefter, 2000). In the same manner, it is also important for an organization to trust their customer with few Secrecy Concerns and Sharing of IP’s. Here regarding this fact through our research, we found out that the trust regarding the Secrecy and Sharing of IP’s is more of a concern in B2B business as they share in detail information of the process, design and many more technical data that scares the out leak of the information from either side. But, in most cases of B2C, there is very little information shared related to secrecy or IPs, thus very little scare of the out leak of information.
During our research we also found that the lack of trust and commitment also creates a barrier in the process leading to stressed employees and frustrated customers leading to failure of the process. As also discussed theoretically by (Morgan & Hunt, 1994) Commitment and trust when put together develop better productivity and results in yields more effectively.

5.2.5 Consistency

Consistency in our research has been identified as a factor that influences the process of Co-Creation. Consistency also can be called continuity. For an organization or for the participants participating in the process of Co-Creation should make it a point that they do not miss out on the continuity of Information. Also, Organization’s management or the process leader should always continuously keep all the participants within the loop of the process until end results and sometimes even until the future. Management should also make it a point to assign an employee into the process until the end of the process so that there is consistency among the participants and information shall be clear and adequate.

5.2.6 Training

During our research for the thesis looking to identify those factors that can influence the process of co-creation. With all the above factors we then identified this factor that looks lighter on not but on action can influence the process exponentially. This factor is Training. Thinking of the reasons why is there a failure in the process we recognized that it is mostly due to those participants who are less skilled either be it an employee or a customer it reflects the whole process. It was also made a point when our participant Zaheer said: “lack of training deprives the process”. So we recognized it as one of the important influencing factors that an organization should ensure that it provides necessary training to all the participants both customers and their employees for the process. In an article (Mathis and Jackson, 2003) have said training is a process during which an employee develops skills and capabilities to achieve organizational goals so we trough we recommend better training to the employees lead to better management of the resources, resources here refer to Customers and Information. Later its is discussed in the literature that, for customers to be more involved in the process they have to be educated and trained (Bowers and Martin, 2007) so a better training to customers to educate them about the process and the need of the organization leads to better and related information.
6. Conclusions and Implications

In the final chapter, we have provided the conclusions of our research along with recommendations to the organizations on how our findings can be considered by the management to enrich the process. Finally, we have presented the future research that can be done to our research.

6.1 General Conclusion

This research was conducted to identify the factors that can be influential to the process of Customer Co-Creation. Customer Co-Creation being a process where two participants (Organization and Customer) are involved we felt it was essential to explore both sides of the process to make a deeper and complete understanding of the process. Later to the need for the research gap, we took a pragmatic approach to identify those factors in the pragmatic business world we considered both Customers and The Organization in both B2B and B2C businesses.

With an aim to fulfill the needs to answer our research question we chose a qualitative research methodology that was performed with five participants forming 2 cases and an expert. Two cases in our research consisted of Case1: HGF and Elieko, HGF as an Organization and Elieko being their customer organization a B2B perspective. Case2: Phonak/Comfort Audio and Audiologist, Comfort Audio an Organization and Audiologist their Customer a B2C perspective.

Later from our qualitative research, we arrived at the findings derived from the Factors that influence the customer co-creation process exploring both the cases. The factors we derived from the process are Communication (Feedback, Highlighting the Needs to the Customer), Management (Environment, Relationship Management, Flexibility or Exploratory, Leadership, Rewards or Incentives, Selection of Customers), Transparency, Commitment & Trust (Secrecy Concern, Sharing of IP), Consistency, Training (Employee and Customer). On exploring both the cases we arrived at the factors that are to be valued by both the participants complimenting each other that shall enrich the outcomes of the Customer Co-Creation process. From the findings, we summarized that both the Customer and Organization should focus on these factors complimenting each other to arrive at better results. But, we also derived to an understanding that the Organization is primarily responsible to highlight and consider these factors and Customers the betterment of the process.

6.2 Organizational Implications

In order to gain the real benefits of our research, we shall provide a few recommendations from our findings to the organization and its managers willing to enrich the co-creation process with
their customers in developing a New Product in both B2B and B2C sectors. In order to enrich the process of Co-Creation, an organization should be able to manage certain Influencing Factors to enrich the process to better results.

Mainly, we recommend the managers of an organization to create a certain channel for that enriches the communication between the participants within the process. It is essential for an organization to communicate its Need to the Customer to obtain specific information that is required by them regarding the product being developed. Next, it is also essential to regularly provide feedback on the information obtained that a customer knows how well the information is being used so that the process develops further and the willingness of the customer increases along the process.

Further, our recommendation to the Organization is about their managerial implications be brought to action by considering few managerial factors that enrich the process. Management is recommended to create a positive environment for the participants that increases creativity and provides Flexibility to the participants to explore new areas that result in radical changes to an organization. Management is also recommended to provide certain Rewards to both employees at least mainly to the customers involved as it encourages them to participate in and increases willingness increases the chances of good information. The team should be involved in the process for Selecting the correct customer for the process from the database that can yield the best information that the process and also maintain a relationship with them in the whole process and further for a better relation and better result. It is also very much recommended to the management to select an apt leader to the process who can hold the process intact with no mismanagement and able to judge right at the right time.

Further, we recommend that the management of the organization to maintain a certain amount of Transparency with the participants that shall increase trust towards each other and in turn improving commitment to participate.

Further, Commitment & Trust is such factors that are Interdependent on each other well managed could enrich the outcomes of the process. So, it is recommended to the organizations to make it a point to work on building Commitment & gaining Trust which in turn gains commitment and trust towards the organization.

Further, it is highly recommended to the organizations throughout the process in the flow of information, communication and putting in participants to the process that there is no mismatch or misleading information leading to the failure of the process.

Lastly, we recommend the organizations to train their employees to better manage the process with no misleadings and mistreating of the participants and also we strongly recommend the
organizations to *Train the customer* participants about the process and train them to educate them about your needs so the information provided is more dependent on the cause of the process.

6.3 Future Research

While we were bringing out our thesis to a stage we realized that our research and our findings are related to only Product Industries and not Service Industries. However later on trying to look out such organizations we failed in getting contacts. So, we consider this can be one future research option for further researchers. Also, there is scope for future researchers to verify these factors versus the Service industries and look out for new factors or Outcomes of the same factors. On another note, there is a small scope of findings on the dependency of the identified factors on each other and their influences, impacts, and outcomes.
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