THE PAST AND FUTURE OF CO-CREATION

ABSTRACT

Co-creating value with customers is becoming a globally popular business strategy and an increasingly rich research stream, especially among marketing managers and academics. The present research critically examines the current understanding of co-creation in light of its preceding and associated concepts. Tracing co-creation back to its roots within and beyond the marketing literature helps position co-creation while capturing its complexity and potential. Drawing on this review and on stakeholder theory, the paper develops a set of propositions that expand co-creation beyond its current scope. These propositions offer (1) an extended definition of co-creation including all stakeholders, (2) a broadened understanding of value directly and indirectly co-created by stakeholders, and (3) a triadic framework in which the company, corporate stakeholders, and the community co-create value in an overarching social system. The paper concludes with implications and directions for further research.

Keywords: innovation, new product development, service-dominant logic, stakeholder theory

INTRODUCTION

Co-creation is on the rise. Provided with an ever-growing variety of products and with easy access to interactive mass communication channels, today's empowered consumers are no longer passive recipients but active co-creators of value. Almost two decades after the first mentioning of co-creation in the practitioner literature (Kambil, Friesen, and Sundaram 1999) and over a decade after its first conceptualization (Prahalad and Ramaswamy 2004; Vargo and Lusch 2004), co-creation has become an integral component of the business models of leading companies from around the world. Procter & Gamble's Connect + Develop and Unilever's Open Innovation Submission Portal are just two of many innovation-driven co-creation channels that use the "power of the crowd" (Howe 2008) to develop and optimize internal processes and products—not periodically, but constantly.

However, the more rapidly co-creation continues to be implemented, the blurrier the conceptualization of this already underdefined concept (P2P Foundation 2012) appears to become. Co-creation thus runs the risk of following other business concepts by being used interchangeably with related but distinct terms—a risk that may jeopardize the leveraging of its potential. For example, customer engagement, a buzzword of high business relevance (Marketing Science Institute 2010), had initially been used interchangeably with customer involvement or participation, until important scholarly efforts delineated customer engagement from related concepts (e.g., Brodie et al. 2011). Similarly, co-creation has been used synonymously with open innovation and crowdsourcing (e.g., Ozkan 2015), which reduces co-creation to the technologies that merely facilitate its implementation.

Against this backdrop, the present research makes several contributions aligned with two main objectives. The first objective is to contribute to a clearer and more differentiated understanding of co-creation, while cherishing its long history of precursors. To that end, this research traces co-creation back to its diverse origins—within and beyond the marketing discipline—to provide critical insights into how to differentiate co-creation from the myriad of associated concepts and, in turn, fully capture its complexity and potential.

The second objective is to expand the scope of co-creation beyond its prevalent customer–firm paradigm to prevent a "new marketing myopia" (Smith, Drumwright, and Gentile 2010). Drawing on stakeholder theory, this research develops a set of propositions that (1) provide a revised definition of co-creation to include all stakeholders, (2) relax the prerequisite of interactions by introducing the distinction between direct and indirect value of co-creation, and (3) expand the dyadic customer–company framework of co-creation toward a triadic co-creation framework in which the company, corporate stakeholders (customers, employees, suppliers), and the community are influenced by regulators and embedded in a social system. Each proposition is supported by relevant literature (e.g., network paradigm and superphenomena of marketing; Achrol and Kotler 2012) and illustrated with practice examples (e.g., conscious capitalism; Sisodia, Wolfe, and Sheth 2007). The paper concludes with implications and directions for further research.

ORIGINS AND PRECURSORS OF CO-CREATION

The following analysis of the precursors of co-creation reviews concepts beyond and within the scope of the marketing discipline. Serving as a guide on this journey across different eras, Table 1 provides an overview of the evolution of co-creation through the last six centuries.

Insert Table 1 about here

Beyond the Scope of Marketing

The idea of co-creation may be applied to different events in history, such as when Leonardo da Vinci invented the helicopter before—centuries later—technological innovation enabled its production (Ramírez 1999). More direct, however, is associating co-creation with the emergence of cooperatives in the 15th century and of consumer cooperatives in the 18th century.

Cooperatives and consumer cooperatives. Though cooperation dates back to people's first attempts to partner up for mutual benefit (ranging from tribes' cooperative structures for resource allocations to contractual unions in the Middle Ages), the first cooperatives were not formed until the 15th century (noted as *Emergence of Cooperatives* in Table 1), such as the cooperative for road construction and maintenance to organize trade in the Alps in 1473 (Hohen Rätien 2008). In 1769, the first consumer cooperative was formed; in 1844, consumers' cooperative movement took permanent form with the foundation of the Rochdale Equitable Pioneers Society in England (Zimbelman 2007).

Value creation within nations. In 1815, von Storch proposed the theory that civilization and production of wealth grow together and lead to the prosperity of a nation. Particularly relevant to co-creation is his discussion of value. According to von Storch, "to create value, three circumstances must coincide: (1) Man experiences, or conceives, a want. (2) Something exists that is capable of satisfying the want. (3) His judgment pronounces a favorable verdict on the utility of the thing. Hence, the value of things is their relative utility." In 1850, Bastiat, a French economist, built on von Storch's discussion of value when arguing that value is "the result of a many-sided exchange of services," with all economic actors being "middlemen towards each other" (pp. 67–68).

Co-production between nations. In the 1960s, scholars began examining the cooperation and co-production arrangements between different nations. Magathan (1960) discusses the "Franco-German co-operation in technical military developments" in 1957, which Italy joined to make the group trilateral, resulting in "the concept of European co-production" (p. 134). Other early uses of "co-production" refer to (1) Poland's co-production arrangements with other countries to solve its financial problems (Boddewyn and Boddewyn 1967) and (2) challenging co-production arrangements between Western firms and communist enterprises (Benoit 1968). In 1968, the U.S. Department of Defense defined co-production as "any program wherein the U.S. Government" that "enables an eligible foreign government, international organization or designated commercial producer to acquire the 'know-how' to manufacture or assemble, repair, maintain and operate […] a specific weapon, communication or support system, or an individual military item" (1968/1994, p. 29). Almost two decades later, Quintana (1984) introduces co-production to marketing by conceptualizing it as an agreement in which a firm in a developing nation makes a production contract with a capable and willing firm in a more developed nation.

Citizen co-production. Regardless of whether one defines co-production from a political, economic, or any other perspective, participation has always been an integral component. In the 1970s, political scientists (e.g., Gersuny and Rosengren 1973) began exploring co-production on an individual level before Whitaker (1980) introduced it to the public administration domain by discussing how "citizens 'coproduce' public services by requesting assistance from service agents, by cooperating with service agents in addressing agency problems, and by negotiating with service agents to redirect agents' activities" (p. 240). Building on Whitaker's article, Sharp (1980) developed an alternative to the citizen–local government relationship model dominant at the time. Sharp called this alternative a "coproduction model" (p. 105) that emphasized the common responsibility of citizens and government agents to deliver public services.

Co-creation in religion and business ethics. McMahon (1986) made one of the earliest uses of "co-creation" in a business journal when arguing that aside from vocation, stewardship, human dignity, or justice, co-creation is one of the theological concepts that religion applies to business situations. Specifically, McMahon believes that by turning raw materials into products, by bringing goods to those who could not acquire them otherwise, or by providing services for those in need, business managers are "co-creating with God" as they "share in the creative power of God." Likewise, by adding value in each step of a product development process, managers engage in a behavior similar to the notion of "co-creation or in sharing God's creative activity" that Pope John Paul "seems to foster, or at least acknowledge" (p. 460).

Within the Scope of Marketing

The initial marketing-specific precursors of co-creation originated in the first quarter of the 20th century (see Table 1). Seven important predecessors of co-creation are discussed next.

Customer participation. The idea of customers as participants can be traced back to the first self-service grocery store, Piggly Wiggly, in 1916 and the first supermarket, King Kullen, in 1930 (Groceteria 2016; King Kullen 2016), where customers had to choose and transport their groceries. Barnard (1938) was among the first business researchers to recommend service firms to view customers as "partial employees" or organizational employees, whereas Sprowls and Asimow (1962) were among the first to refer to a customer as a "participant" but still restricted customer participation to the decision of whether and how much to buy from a firm. Two decades later, Davis (1983) addressed the shift from a manufacturing-driven to a more service-dominated economy, and Fitzsimmons (1985) advised service providers to no longer perceive the consumer as "a passive bystander" but as an active participant who "could supply productive labor just at the moment it is needed" (p. 61). Despite this growing appreciation for customer participation, researchers started addressing the potential downsides of customer participation, such as input uncertainty, which encouraged other researchers to develop frameworks that could alleviate such concerns and address the underlying issues (e.g., Larsson and Bowen 1989).

Customer orientation. As productive capacity expanded in the early 1940s and led to an oversupply, interest in the marketing concept grew. After World War II, firms' focus on production growth or cost reduction started shifting toward customer needs (McKitterick 1957). In 1957, Alderson addressed what is known today as customer relationship management by arguing that while "the first contact may be a very casual one," as soon as a customer makes a purchase, he or she "is entitled to expect something more in the way of candor and solicitude from the seller" (pp. 155–156). In 1978, advancing customer orientation, von Hippel presented a new "customer-active paradigm" as a shift from the "manufacturer-active paradigm" (p. 39), in turn giving rise to firms' increasing consideration of customer-led innovations, which should revolutionize new product development and, ultimately, facilitate the emergence of co-creation.

Postponement. In 1950, Alderson coined the term "postponement" (Swaminathan and Lee 2003), a conceptual precursor of co-creation, which becomes particularly evident when Alderson (1957) refers to self-service food markets, in which differentiation can be "avoided by passing certain steps on to the consumer" (p. 426); encouraging consumers to "undertake the extra work of assembling their own orders in the store" (p. 426) rather than delivering groceries to their homes was a first step toward engaging consumers in transaction processes. In a broader sense, with co-creation being an integral component of service-dominant (S-D) logic (Vargo and Lusch 2004), Alderson's (1957) request for "a marketing interpretation of the whole process of creating utility" rather than "an interpretation of the utility created by marketing" (p. 69) and Shostack's (1977) call for "breaking free from product marketing" (p. 73) indicate support for the shift to S-D logic.

Mass customization. A weakness of mass production (i.e., the ability to produce goods in large quantities at low cost per unit; Smith 1776) was its inability to customize the product to better meet customer needs and wants. After Toffler (1980) first described the customer as a "prosumer" who, as a producer and consumer in concert, defines and produces the product, Davis (1987) coined the term "mass customization"—a "seeming oxymoron" (Kotler 1989, p. 13) defined as the production of "goods and services to meet individual customer's needs with near mass production efficiency" (Tseng and Jiao 2001, p. 685). Two of the four types of mass customization introduced by Gilmore and Pine (1997)—*collaborative* customization (i.e., firm asks customers to assist in customizing an individual product) and *adaptive* customization (i.e., firm offers a standard yet customizable product that customers can alter themselves)—share goals with co-creation, although the latter tends to be less restricted by constraints imposed by the firm (i.e., a predetermined set of acceptable or feasible solutions) and to fulfill a wider range of purposes. Unlike mass customization, co-creation enables firms to generate new product ideas that may benefit not only the individual customer but all other customers or society at large.

Collaborative marketing. In the 1990s, collaborative marketing enriched the production-focused view of mass-customizing firms. As financial strategy increasingly dominated marketing at the expense of customers, which intensified the pressure from foreign manufacturers (Webster 1988), the reinstated customer focus gave rise to collaborative marketing, in which firms listen to customers and encourage them to participate in production processes (Peppers and Rogers 1993).

Customer co-production. The product development–related aspects of collaborative marketing were direct precursors of customer co-production. While Fuchs (1965) first positioned the consumer as a factor of production, Lovelock and Young (1979) were the first to encourage firms to use customers to increase productivity. Still, it took another decade until involving customers in production was first understood as not only a "cost-efficiency booster" but also an opportunity to improve quality (Goodwin 1988), increase customer satisfaction (Czepiel 1990), and differentiate (Song and Adams 1993). Normann and Ramírez (1993) introduced customer co-production in a value-chain context, arguing that a company's strategy should no longer focus on the company or the industry but on "the value-creating system itself, within which different economic actors […] work together to co-produce value" (p. 66). While their recommendation considered other stakeholders, Normann and Ramírez kept their focus of the value-creation process on customers only, in that the "underlying strategic goal is to create an ever-improving fit between competencies and customers" (p. 66). In line with this view, the role of a customer in value creation has been largely restricted to that of a co-producer (e.g., Vargo and Lusch 2004).

Experiential marketing. A subphenomenon of marketing (Achrol and Kotler 2012), the concept of consumer experiences has its origins in the mid-1950s when economist Abbott (1955) argued that "what people really desire are not products but satisfying experiences" (p. 40). Four decades later, with the advent of the Internet, experiential marketing became its own concept when Pine and Gilmore (1998) announced the emergence of "the experience economy" and suggested that "an experience occurs when a company intentionally uses services as the stage, and goods as props, to engage individual customers in a way that creates a memorable event" (pp. 97–98). What brings experiential marketing, compared other precursors, closer to co-creation is its ability "to forge experiential connections with customers" (Schmitt 1999, p. 33). Still, in experiential marketing, customers' role tends to remain too passive for firms to leverage the potential of co-creation (see Leavy 2004). Whereas the value in experiential marketing tends to be limited to the customer experience itself, co-creating customers also generate value for the firm through their choices or insights, thereby contributing more directly to firm performance.

EMERGING VARIANTS OF CO-CREATION

A downside of collaborative marketing, customer co-production, and experiential marketing has long been the need for a firm to focus on individual customers, causing inefficiencies along the way. The following illustrations of emerging variants of co-creation demonstrate that such concerns become increasingly unfounded.

Open Source

Open source is a program in which the source code is publicly and freely available for use or modification, with improvements through collaboration being explicitly desired (Beal 2014). In addition to software (e.g., Mozilla Firefox), the open-source approach has been successfully applied to education, innovation, media, and medicine; the online encyclopedia Wikipedia is another prominent example. This variation of co-creation has been referred to as "commons-based peer production" (Benkler 2002, p. 21). The inclusion of the word "peer" is important, as it indicates that, while seemingly well organized, open-source activities are managed from the bottom up and directed by peers rather than from the top down by a sponsoring firm (Brabham 2012), which separates them from another emerging variant of co-creation: crowdsourcing.

Crowdsourcing

By outsourcing tasks to the crowd, crowdsourcing is based on a traditional, top-down, and managed approach sponsored by an organization throughout the process (Brabham 2012). Howe (2006a) coined this term and defined it as "the act of a company or institution taking a function once performed by employees and outsourcing it to an undefined (and generally large) network of people in the form of an open call" (Howe 2006b). Schenk and Guittard (2011) distinguish between *integrative* crowdsourcing (i.e., supplementary input generated from the crowd) and *selective* crowdsourcing (i.e., selection of the best solution provided by the crowd), whereas Howe (2008) categorizes crowdsourcing based on its variants—namely, crowdwisdom (i.e., collective intelligence), crowdcreation (i.e., creative activities such as t-shirt design), crowdvoting (i.e., feedback on an idea or product, such as on hotels in TripAdvisor), and crowdfunding (i.e., raising money for a project). Meanwhile, the full potential of crowdsourcing is yet to be leveraged, with the average revenue of a crowdsourcing initiative projected to double until 2020 (Brown and Anthony 2011).

PROPOSITIONS FOR THE FUTURE OF CO-CREATION

Both the origins and untapped potential of co-creation indicate the need for expanding its current scope. Three areas for expansion are discussed next and lead to respective propositions.

Expanded Definition of Value Co-Creation

According to its original definition, value co-creation occurs when "the consumer and the firm are intimately involved in *jointly creating value that is unique to the individual consumer* and sustainable to the firm" (Prahalad and Ramaswamy 2004, p. x, italics in original). Vargo and Lusch's (2004) initial work on S-D logic stayed true to this dyadic customer–firm paradigm. The present research, however, joins recent critiques of co-creation and the related S-D logic as being defined too narrowly (Frow and Payne 2011; O'Guinn and Muñiz 2009) and applauds initial efforts to broaden the concept to include employees, suppliers, and other stakeholders (e.g., Ramaswamy and Gouillart 2010). Such an expansion deserves full support considering the simple yet important logical inconsistency between the narrow focus of the definition of value co-creation on a bidirectional consumer–producer relationship and the broad focus of the definitions of both marketing and value on exchanges involving various stakeholders (Hult et al. 2011; Keefe 2008).

The present research applies the stakeholder view, which regards the firm as a complex bundle of stakeholder relationships (Clarkson 1995; Freeman 1984; Kull, Mena, and Korschun 2016), as the theoretical lens for an expanded conceptualization of co-creation. In line with this theory, as well as with companies' gradual transition from a market orientation to a stakeholder orientation (Ferrell et al. 2010) and their growing recognition of a wider "scope of the 'actors' connected to the marketing organization in the marketplace" (Hult 2011, p. 528), the present research redefines co-creation as follows: "Value co-creation occurs when stakeholders are involved in jointly creating value that is unique or sustainable to themselves or other stakeholders."

This redefinition underlies the proposition that not only customers and firms can co-create value, but so can all other stakeholders. Moreover, whereas prior research has defined value in co-creation as customer's value in use and thus as determined by the customer (e.g., Grönroos and Voima 2013; Vargo and Lusch 2004), the new definition of co-creation challenges this view by proposing that all stakeholders engaged in co-creation can benefit from the value generated, with one type of value being their mutual relationships they strengthen along the way (Bhattacharya, Korschun, and Sen 2009; Kull et al. 2016). This notion of the value beneficiaries in co-creation is critical, as it seeks to avoid a new marketing myopia caused by a large disregard for stakeholders other than customers (Smith et al. 2010). Stated as propositions:

Proposition 1a: All stakeholders co-create value, thereby strengthening stakeholder relationships.
Proposition 1b: All stakeholders are beneficiaries of the value they co-create.

Direct and Indirect Value of Co-Creation

Although the revised definition has stayed largely loyal to the original, it made two important modifications. It (1) replaced "individual consumer" and "firm" with "stakeholders" and (2) removed "intimately", which points to the necessity of direct interactions for co-creation to occur—an assumption shared by other research: "The central S-D logic notion of co-creation of value is an interactive concept" (Lusch and Vargo 2006, p. 285); "It is through interactions that services are co-designed, co-created, and consumers" (Berthon and John 2006, p. 196); and "If there are no direct interactions, no value co-creation is possible" (Grönroos 2011, p. 290).

The present research questions co-creation's interaction prerequisite. Recent statistics substantiate these doubts. For example, word of mouth—both off- and online—has become the most influential source of company information across industries and is used by over 70% of consumers (Accenture 2013), with 90% of consumers trusting peer reviews but only 14% trusting firms (Qualman 2013). This value for customers also translates to value for firms. Valuable insights a firm can derive from monitoring consumers include answers to questions ranging from "In what context is our brand mentioned?" to "Are there acute problems we need to respond to?" Ironically, the value derived from such questions is typically best generated without any customer–firm interactions, as it increases the likelihood of unbiased customer input.

Research has been surprisingly silent about the myriad of ways in which consumers co-create value with and for the firm without direct consumer–firm interactions. Grönroos and Voima (2013) set an important milestone by distinguishing between direct and indirect interactions in value-in-use creation of customers and service providers. Although they reaffirm prior work by suggesting that if no direct interactions exist, no co-creation takes place, they give initial credit to firm-related customer-to-customer interactions on social media platforms by calling them a form of "independent social value co-creation" (p. 144). Kuppelwieser, Simpson, and Chiummo (2013) applied co-creation and S-D logic to the electronic services domain (i.e., YouTube) by proposing that consumers co-create value by uploading and consuming content, whereas firms only serve as platform providers but are otherwise not engaged in the value creation process. Thus, Kuppelwieser et al. implicitly support relaxing co-creation's interaction requirement by asserting "that in the case of e-services, value is created primarily between and among customers rather than by the provider" (p. 311).

Beyond customer–firm relationships, the present research suggests that employees are equally empowered to co-create value without necessarily interacting with its employers. Employer rating sites (e.g., Glassdoor, kununu) allow employees to review their employers and describe their job experiences. Such reviews provide applicants with first-hand insights and firms with information necessary to adjust their employer branding strategies to attract applicants while keeping the current workforce content and productive. Acting upon such insights is critical because only if the firm uses such indirect value generated by stakeholders, the process turns into a co-creation of that value.

Proposition 2: By co-creating direct value (by interacting with the firm) and indirect value (by interacting with other stakeholders but not the firm), the digitally empowered stakeholder expands the value of co-creation.

Triadic 3C Framework of Co-Creation

This research also proposes extending the S-D logic framework, within which co-creation operates, toward all corporate stakeholders and toward the community as a noncorporate co-creator of value. In its current form, this framework is—in line with co-creation's original definition—based on dyadic customer–firm relationships and reciprocal exchange (e.g., Vargo and Lusch 2004; Vargo 2009), although marketing scholars have pointed to the dyadic paradigm's limitations, such as by describing co-creation as "a critically constrained construct" (O'Guinn and Muñiz 2009, p. 175) and a "multiparty process" (Jaworski and Kohli 2006, p. 116) impossible to be fully realized at the current exchange paradigm (Achrol and Kotler 2012).

In keeping with stakeholder theory, the expansion of the co-creation framework responds to Achrol and Kotler's (2012) calls for (1) a network paradigm that allows for multi-level rather than merely dyadic networks as unit of analysis and (2) a consideration of the superphenomenal realm of marketing and society (i.e., the sustainable marketing concept). To simplify S-D logic's co-creation framework consisting of multiadic collaborative relationships between the firm and its stakeholders, a triadic framework is proposed. It consists of the company, its corporate stakeholders (customers, employees, suppliers), and the community as resource integrators and beneficiaries—a framework that is, based on the first letters of the three main actor types, hereafter referred to as the 3C framework. Fig. 1 depicts this conceptual expansion.

Insert Fig. 1 about here

Although the role of the community or society is as central to co-creation as it is to marketing, aside from valuable remarks on the ethical and societal aspects of S-D logic (Laczniak 2006), value co-creation has rarely been approached from a societal perspective. This research distinguishes between two functions of society in a co-creation context. The first function of society lies in its contextual or regulatory dimension. Edvardsson, Tronvoll, and Gruber (2011) adopted this perspective by applying social construction theories to S-D logic and arguing that co-creation is embedded in a social system, with value being a social construction. Thus, society takes on a contextual function by providing a frame (i.e., a social system) within which the dyadic customer–firm co-creation exchange occurs. All exchanges between the customer and the firm are thereby confined by social structures (i.e., regulations and resources).

The second function, which views society as a resource integrator and beneficiary, has been widely ignored. This is surprising, considering the interdependence between the firm and society in the sense of the community (e.g., Clarkson 1995). As Prahalad, one of co-creation's academic founding fathers, put it, "Corporations can simultaneously create value and social justice" (Engardio and McGregor 2006). Two approaches that include the community as a co-creator of value are corporate social responsibility (CSR) and conscious capitalism. The CSR process has been defined as an exchange "in which the firm offers something of value—typically a social benefit or public service—to an important constituency and, in turn, anticipates receiving the approval and support" (Murray and Vogel 1997, p. 142). Extant literature has shown that marketing initiatives with social dimensions improve customer feelings toward the firm (e.g., Drumwright 1996; Kull and Heath 2016). Conscious capitalism responds to criticisms of CSR as often being "too defensive and too disconnected from corporate strategy" (Davis 2005). In a conscious business, social responsibility is not a mere add-on but is fully integrated through the deeply rooted, commonly shared conviction of four mutually supportive principles. Aside from stakeholder orientation, other principles include a higher purpose beyond profit maximization, conscious leadership (i.e., senior managers who put the purpose of the company first), and a conscious culture characterized by strong employee participation (Mackey 2011; Sisodia 2011). A "comprehensive philosophy of doing business" (Sisodia 2011, p. 100), conscious capitalism considers society to be "the ultimate stakeholder" (Sisodia et al. 2007, p. 171).

A common ground of CSR, conscious capitalism, and any socially responsible business is the awareness of the strategic importance to support the community (e.g., Handelman and Arnold 1999). If the support is not intrinsically motivated, then it will have extrinsic reasons, such as to improve brand image (e.g., Drumwright 1996) or market value (Luo and Bhattacharya 2006). Consequently, any collaboration between the community and a firm that acts in a socially responsible manner involves the community as a resource integrator and beneficiary. The community in the sense of a charitable or nonprofit organization serves as a resource integrator in its collaboration with a corporate firm by allowing the company to advertise with the charity's name to attract customers. Simultaneously, the community is a beneficiary by raising awareness for its cause or enhancing its image, provided that the corporate partner is well known and liked, and by receiving monetary contributions from the firm or, in case of cause-related marketing, by the customer through his or her product purchase. Hence, cause–brand alliances typically involve a triadic company–customer–community relationship with three resource integrators and beneficiaries as co-creators of value.

The benefits for the community in a triadic co-creation framework do not have to be as explicit as in cause–brand alliances or other prosocial partnerships. Every consumer–firm relationship that includes a monetary exchange benefits the company through the revenue generated, which in turn benefits the community through a strengthened economy, such as through increased tax revenue available to the community. The inclusion of the community in customer–firm relationships is thus permanent and independent of specific CSR initiatives. The value for the customer in such a triadic relationship is arguably more implicit. Social science research, however, suggests that charitable giving and other types of altruistic behavior benefit givers by letting them signal their own status or wealth (Becker 1974) or making them feel good about themselves, also referred to as the "warm glow" of charitable giving (Andreoni 1990).

Compared to Edvardsson et al. (2011), the expanded co-creation framework kept the social system framework and the social structure component. "Service exchange" and the additional explanations of the social structure component were removed to reduce complexity and, in case of the former, to eliminate potential associations with the exchange paradigm (see Achrol and Kotler 2012). The customer–firm ellipsis was transformed into a 3C (company, corporate stakeholder, community) triangle. The network structure was also linked to the community, as the community also has or can have its own network.

Proposition 3: The company, corporate stakeholders (customers, employees, suppliers), and the community are influenced by a social structure (regulators) and embedded in an overarching social system.

CONCLUSION

A review of co-creation's origins revealed its rich heritage and unleveraged potential beyond its original, and still prevalent, customer–firm exchange paradigm. Applying stakeholder theory to co-creation resulted in a set of propositions for shaping the future of co-creation to avoid a new myopia through a one-sided customer focus with the exclusion of other stakeholders (Smith et al. 2010). Promoting the consideration of all stakeholders in co-creation, both as resource integrators and as beneficiaries, the overarching theme that connects all propositions is a broader understanding of co-creation and of the value it generates. By expanding the co-creation framework, this research also responds to the need for a multiadic network paradigm to replace the limiting dyadic exchange paradigm (Achrol and Kotler 2012).

Further research should identify additional concepts relevant to co-creation and test the proposed relationships empirically. Managerially, co-creation appears to still require a change in mindset. A widespread deficiency is the tendency of firms to overly rely on technology platforms as the means of co-creation while giving offline or hybrid methods little to no attention (P2P Foundation 2012). For stronger organizational impact, firms should not only enable co-creation activities but also connect knowledge and processes in a comprehensive co-creation framework. However, with scholars increasingly conceptualizing co-creation and examining its opportunities and risks (e.g., Fuchs, Prandelli, and Schreier 2010; Kull and Heath 2016), and with practitioners continuously implementing various forms of co-creation beyond product design (e.g., Amazon, Gucci, Mazda), the future of co-creation is bright.

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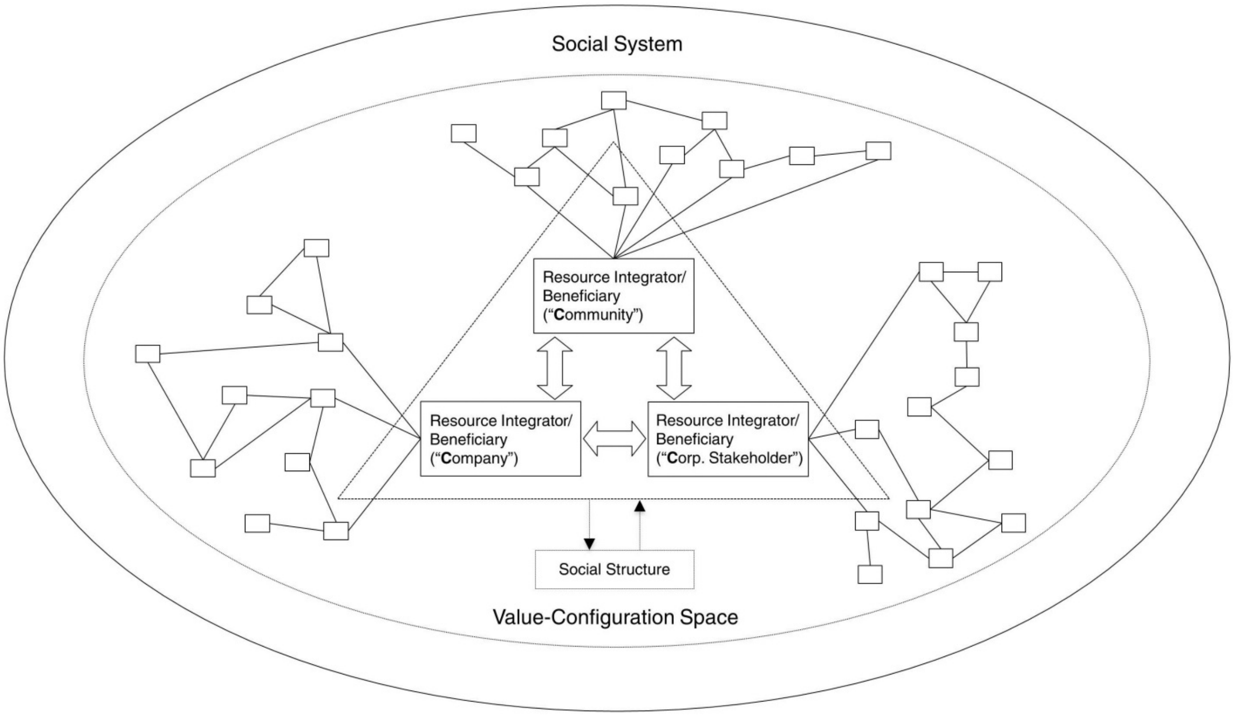
Table 1
Origins and Emerging Variants of Co-Creation

	Beyond Marketing	Within Marketing
1400		
1420		
1440		
1460		
	Emergence of Cooperatives	
1480		
1500		
1600		
1700		
1720		
1740		
1760		
	Emergence of Consumer Cooperatives	
1780		
1800		
1820	Value Creation Within Nations	
1840		
1860		
1880		
1900		
		Customer Participation
1920		
		Customer Orientation
1940		
		Postponement
1960		
	Co-Production Between Nations	
1980	Citizen Co-Production	
	Co-Creation in Religion and Business Ethics	Mass Customization
		Collaborative Marketing
		Customer Co-Production
		Experiential Marketing
2000		**Co-Creation**
		Open Source
		Crowdsourcing

Fig. 1
The Triadic 3C Framework of Co-Creation



Adapted from Edvardsson et al. (2011) and Vargo (2009).