
Editorial

Ian P. McCarthy

Beedie School of Business,
Simon Fraser University,
500 Granville St., Vancouver, BC,
V6C 1W6, Canada
Fax: (778) 782-5153
E-mail: ian_mccarthy@sfu.ca

Biographical notes: Ian P. McCarthy is the Canada Research Chair in Technology and Operations Management in the Beedie School of Business at Simon Fraser University. He is well known for his work on how firms should be designed and managed in terms of their operations. In particular, he is interested in how firms differ in their new product development processes, R&D management control systems, outsourcing practices and collaborative networks.

1 Introduction

In recent years, the phenomenon of creative consumers has attracted much research interest. In 2012 for instance, approximately 70 articles in business publications referred specifically to the concept of creative consumers. This and earlier work on creative consumers has helped us to understand who they are, what they do, and why their activities and outputs are increasingly important to companies. For no longer do business leaders obsess that ideas and innovation must originate from their own firm's R&D resources. To be competitive, firms now recognise there is significant value in sourcing ideas and innovations from the market place (Kuusisto and Kuusisto, 2013). Like other business activities, including marketing, manufacturing and logistics (see McCarthy and Anagnostou, 2004), innovation is becoming more open, and more outsourced to users, and this is changing the boundaries of the origins, development, and ownership of ideas and intellectual property.

2 User innovation and creative consumers

In 2005, *The Economist* (2005) published an article about the future of innovation that was entitled 'The rise of the creative consumer'. The article highlighted that creative consumers have long been around, and have been central to the birth of a number of industries, ranging from relatively low technology sporting equipment products to high technology scientific equipment. However, traditionally when creative consumers innovated they would either be ignored by companies who did not understand and value what they did, or they would be actively suppressed by companies who felt threatened or offended by their innovation activities and outcomes. Today, though, it is widely

recognised that innovation is being democratised, and that ‘users of products and services – both firms and individual consumers – are increasingly able to innovate for themselves’ [von Hippel, (2005), p.1]. This notion of user innovation highlights that the users can be either intermediate users (e.g., user firms) or consumer users (individual end-users or user communities). In this special issue, we focus on the latter – the creative consumer – a phenomenon propelled by advances in Web 2.0 technologies that have shifted the locus of innovation opportunities from firms to consumers (Berthon et al., 2012; Kietzmann et al., 2011).

There are many different examples or types of creative consumer: user innovators (Franke and Shah, 2003), lead-users (von Hippel, 1986), hackers (Lakhani and Wolf, 2003) and outlaw users (Flowers, 2008), to name just a few. These creative consumer examples and the labels afforded to them, highlight different aspects of the phenomenon. For example, the ‘lead’ in lead user emphasises consumers who are ahead of the game in terms future market needs; the ‘designer’ in user designers emphasises the design aspect of innovation; and the ‘outlaw’ in outlaw users emphasises a consumer activity that is at least questionable, and frequently illegal. These differences in the labels suggest that creative consumers can be defined by different characteristics, which could have implications for how companies identify, learn and acquire knowledge about them. Some studies, for example view creative consumers and their innovations as opportunities for firms, and suggest organisational responses that involve firms engaging (Mollick, 2005), collaborating (von Hippel, 1986), investing (Nambisan, 2002) and integrating (Lüthje, 2004) with these consumers. On the other hand, studies have noted that firms often view creative consumers as threats, and their response is to quash or repel their activities (Berthon et al., 2007)

With this dichotomy in a firm’s stance and attitude to creative consumers, existing research has focused largely only on how firms might absorb or appropriate innovation value from those creative consumers that firms consider to be positive in nature. These consumers are the ‘low hanging fruit’ as they are willing to be identified and connected in some way to a firm’s innovation process. In this special issue, however, the papers seek to understand and capture value from creative consumers regardless of how positive or negative their specific actions might be.

3 The work in this special issue

In this section, I summarise the articles that appear in this special issue and highlight their focus and contributions. The articles employ different approaches and methods, span different countries and industries, and focus on a range of issues that are central to the domains of innovation and marketing.

Tsinopoulos and Al-Zu’bi’s article ‘Lead users, suppliers, and experts: the exploration and exploitation trade-off in product development’ focuses on one specific type of creative consumer, the lead user. The authors develop a theoretical framework that explains how firms collaborate with this type of creative consumer versus collaborations with key suppliers and product experts. They provide an interesting and useful characterisation of the different collaboration modes that help us to understand how different types of innovation are produced.

Plangger and Robson’s article ‘Consumer creativity and the world’s biggest brand’ presents an interesting analysis of how consumers have used the Coke beverage in ways

that go way beyond simply drinking the product. For example, it has been used by consumers to remove grease stains from clothing, to treat jelly fish stings, and applied as a mosquito repellent. From this analysis, a model of four types of consumer creativity is developed. The model can be used to understand how each type of creative consumer presents a unique set of risks and opportunities for brands and firms.

Leminen, Westerlund and Nyström's article 'On becoming creative consumers – user roles in living labs networks' explore how creative consumers innovate in networks. They study 26 living laboratories (real life settings where networks of individuals innovate) in four countries. From these cases, they propose a typology of creative consumer roles in living laboratory networks and outline how the characteristics of these roles would impact how companies engage with and learn from creative consumers.

Lee's article 'Advice from creative consumers: a study of online hotel reviews' examines the online reviews of hotels that creative consumers produce. This specific user innovation activity embraces the phenomenon of consumer generated content and electronic word of mouth (eWOM). The research outlines how consumers no longer passively consume hotel services, but increasingly reflect on their experience and produce and publish reviews. These reviews are both an innovation process and innovation outcome. Using a sample of these reviews, the author analyses how creative consumers perceive and articulate their experience of different classes of hotels. The results of this study show why companies can and should harness the power of creative consumers and their online reviews.

DesAutels, Salehi-Sangari, Berthon, Rabinovich and Pitt's article 'It is emergent: five propositions on the relationship between creative consumers and technology' draws upon a number of case studies to examine the interaction between creative consumers and the technologies they use and adapt. They explain that creative consumer innovations are adopted and diffused by markets in a way that is often far from being systematic in nature and also is not simply governed by the forces of either 'technology push' or 'market pull'. They present a model and propositions that disentangle the interactions between the creative consumer and their innovations. These predictions suggest that the process of creating innovations is much more non-linear and emergent than assumed.

Kietzmann and Angell's (2013) article 'Generation-C: creative consumers in a world of intellectual property rights' examines creative consumers as a movement, and the implications this movement has for intellectual property rights lawyers, owners of property rights, governments and politicians. The authors identify the formation and growth of the creative consumer movement and illustrate how it is enabled by different social media technologies. They then offer a number of thought provoking insights for policy makers and organisational leaders on the evolution of this movement and its impact for intellectual property laws, which can simultaneously promote and inhibit user innovation.

4 Conclusions and opportunities for future research

In this introduction to the special issue, I outline the importance of the creative consumer phenomenon and the attention it has attracted from scholars and managers. I then explain how creative consumers fit within the domain of user innovation by defining the creative consumer construct and providing examples of its diversity. This highlights two major

research issues which were the motivation for the special issue: how do creative consumers vary in terms of what they do and produce; and how these differences affect the way in which these firms should learn and benefit from creative consumers.

Based on the articles in this special issue and their contributions, I now offer three avenues for further research on creative consumers. First, I think it would be fruitful to explore how context (e.g., different industries and different countries) affects the propensity for different types of creative consumers to emerge. The articles in this special issue have contexts that span numerous countries and industries and consider whether creative consumers innovate individually or within a network. It is clear that this variation in context provides a rich source of diversity from which to develop contingency-based theories of creative consumer innovation.

Second, is the issue of how firms should effectively learn from different types of creative consumers in these contexts. While a number of articles in this special issue focus how firms learn and benefit from different types of creative consumer (e.g., hackers, lead users, and consumer reviewers), limited attention has been given to the way in which their context would impact how organisations should find, select and work with the knowledge produced by these types of creative consumer. More specifically, I suggest that an interesting avenue of research would be to explore how variations in international (e.g., cultural, economic, legal, political) and industrial (e.g., technology, maturity, velocity) contexts impact the open innovation processes of firms.

Third, the ideas and innovations produced by creative consumers often become intellectual property, which can be easily shared, copied and modified (Manzini et al., 2012). This consumer generated intellectual property (CGIP) is becoming a critical dilemma for organisations. Executives and researchers alike are only beginning to consider the options, or what approach is optimal in what context. On the one hand, there is the potential to support and harness CGIP in ways that benefit both the consumer and the firm. On the other hand, if firms widely contest the intellectual property in the innovations produced by creative consumers, then this would likely damage their ability to effectively solicit and exploit user innovation in general.

In sum, creative consumers are on the rise, and their actions and outputs will increasingly be of interest to both managers and researchers. Thus, it is my hope that the research in this special issue and the concluding research avenues would help shape and motivate future research on how best to promote, control and benefit from the value of this phenomenon.

Acknowledgements

I would like to acknowledge all of the authors and reviewers who have contributed to this special issue. I am also grateful to Eric Viardot, editor of the *International Journal of Technology Marketing* for his commitment and support to this special issue.

References

- Berthon, P.R., Pitt, L.F., McCarthy, I. and Kates, S.M. (2007) 'When customers get clever: managerial approaches to dealing with creative consumers', *Business Horizons*, Vol. 50, No. 1, pp.39–47.
- Berthon, P.R., Pitt, L.F., Plangger, K. and Shapiro, D. (2012) 'Marketing meets Web 2.0, social media, and creative consumers: Implications for international marketing strategy', *Business Horizons*, Vol. 55, No. 3, pp.261–271.
- Flowers, S. (2008) 'Harnessing the hackers: the emergence and exploitation of outlaw innovation', *Research Policy*, Vol. 37, No. 2, pp.177–193.
- Franke, N. and Shah, S. (2003) 'How communities support innovative activities: an exploration of assistance and sharing among end-users', *Research Policy*, Vol. 32, No. 1, pp.157–178.
- Kietzmann, J.H., Hermkens, K., McCarthy, I.P. and Silvestre, B.S. (2011) 'Social media? Get serious! Understanding the functional building blocks of social media', *Business Horizons*, Vol. 54, pp.241–251.
- Kuusisto, A. and Kuusisto, J. (2013) 'Diffusion of user innovations – a firm-level survey', *International Journal of Technology Marketing*, Vol. 8, No. 2, p.127.
- Lakhani, K. and Wolf, R.G. (2003) *Why Hackers Do What They Do: Understanding Motivation and Effort in Free/Open Source Software Projects*, SSRN Scholarly Paper No. ID 443040, 14 June 2013, Social Science Research Network, Rochester, NY [online] <http://papers.ssrn.com/abstract=443040> (accessed 1 June 2012).
- Lüthje, C. (2004) 'Characteristics of innovating users in a consumer goods field: an empirical study of sport-related product consumers', *Technovation*, Vol. 24, No. 9, pp.683–695.
- Manzini, R., Lazzarotti, V. and Pellegrini, L. (2012) 'IP and open innovation: theory and practice', *International Journal of Technology Marketing*, Vol. 7, No. 2, p.119.
- McCarthy, I. and Anagnostou, A. (2004) 'The impact of outsourcing on the transaction costs and boundaries of manufacturing', *International Journal of Production Economics*, Vol. 88, No. 1, pp.61–72.
- Mollick, E. (2005) 'Tapping into the underground', *MIT Sloan Management Review*, Vol. 46, No. 4, pp.21–24.
- Nambisan, S. (2002) 'Designing virtual customer environments for new product development: toward a theory', *Academy of Management Review*, Vol. 27, No. 3, pp.392–413.
- The Economist* (2005) 'The future of innovation: the rise of the creative consumer', 10 March [online] <http://www.economist.com/node/3749354> (accessed 14 June 2013).
- von Hippel, E. (1986) 'Lead users: a source of novel product concepts', *Management Science*, Vol. 32, No. 7, pp.791–805.
- von Hippel, E. (2005) *Democratizing Innovation [...] [...]*, u.a., MIT Press, Cambridge, Mass.